SOCIALISM'S NEW BEGINNING

A Manifesto from Underground Germany

by MILES

Prefaces by H. N. BRAILSFORD
and NORMAN THOMAS

35 CENTS

LEAGUE FOR INDUSTRIAL DEM

Socialism's New Beginning

A MANIFESTO FROM UNDERGROUND GERMANY

By MILES

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Translated from the German
"Neu Beginnen"

Prefaces by

H. N. BRAILSFORD
and
NORMAN THOMAS

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PREFACE TO THE ENGLISH EDITION

This little book comes to us out of a world as tightly closed to us as though the blockade of the war-years still encircled it. A year ago half of the German nation cast its vote against the Nazi dictatorship. Seven million Social Democrats and nearly five million Communists still kept their faith, though the Terror had already begun. What in the interval has become of them? Some hundreds have lost their lives. Fifty thousand or more are in the concentration camps. Others are in exile, and others again have lost their work and sunk into pitiable and hopeless poverty. No trace remains above ground of either of these once powerful parties. The weaker characters among their members have made their peace with the enemy. The majority have sunk into a bewildered passivity, content if they can earn their bread and escape persecution. No field is open to them in which they may continue their activities as Socialists and Trade Unionists, and one gathers that if any open unrest does find expression in the sham workers' organisations that the Nazis have created, it comes rather from the Left Wing of Hitler's own followers than from the former Socialists.

This gloomy picture, however, is not the whole truth. There is a younger generation that has kept both its faith and its courage. It consists of men and women who were too young to wield any influence in the parties that allowed themselves to be destroyed without striking a blow. This younger generation would, doubtless, have struggled as gallantly as the Austrian Socialists have since done, had it possessed any organisation of its own. It is now struggling, under a dictatorship as efficient as it is brutal, to prepare itself

for the future. The most harmless activities must be conducted with all the precautions of a conspiracy. Courage, under these conditions, is not enough, for the Communists who showed in the early months a too reckless gallantry, have been virtually destroyed. If any effective secret organisation can be built up, it will be only by a combination of cautious ingenuity and unflinching resolution.

While some groups have already disappeared, one survives and grows. It is not a party. Its leaders are anonymous. It meets only in little circles of five or six members. It works underground much as the Russian revolutionists did in Tsarist days. It is trying to live down the suicidal quarrel that had separated Socialists from Communists, and it draws its adherents from both camps. Its life, however hampered and precarious, is passed among the German workers. Its leaders face the risks and share the experiences that befall the rank and file in the factories and the mines. An organisation of exiles not only loses touch with reality: it forfeits the confidence of those who remained behind. When the moment comes for an open struggle against the Nazi tyranny, the leadership must come not from outside but from within. It may be that this group of young people, as resolute as they are modest, will form the nucleus of this workers' movement of the future.

This book, which was first published in German and which is secretly circulating in Germany, defines the thinking that inspires this Group, which is known, indeed, by the book's original German title, as the *Neu Beginnen Group*. The English edition, for which this preface is written, is published by arrangement with the National Council of Labour Colleges, which, however, does not take any responsibility for the contents of the book.

The emphasis on the importance of a new start which this Group makes is significant. In the light of the catastrophe this younger generation has realised the need for fresh thinking, and a new approach to the whole problem of Socialist strategy. The collapse of German Social Democracy dates not from its passivity in the final crisis of 1933, but from the opportunity it missed in 1918. It paid for the illusion, to which it had clung to the bitter end, that a working class may securely enjoy the fruits of political democracy, while the reality of power remains in the hands of the possessing class. Many factors contributed to the disaster—the oppressions of the victors and the follies of Versailles, the intolerable misery of the slump, the senile caprices of President von Hindenburg, the sinister talent of Hitler for propaganda. But in the final analysis, the Republic fell because its paper constitution and its elaborate democratic mechanism left its enemies firmly entrenched in the seats of power. The Junkers still owned their broad acres and the souls of the men who tilled them. The old monarchist official class supplied the judges who interpreted the new republican constitution. The old military caste controlled the army. Industry still poured its wealth into the coffers of magnates, who invested a portion of their profits to buy the services of Hitler and equip his private army. In calm years of prosperity a democratic party may live to a ripe old age without realising that it enjoys its liberties only by the permission of the class that possesses these real foundations of authority. In the hour of crisis, it learns too late that political liberty cannot be divorced from economic and military power.

This pamphlet, the work of sincere minds, struggling to think out their task in new conditions of appalling

difficulty, should serve two uses in its English dress. It should enable us to follow with sympathy and understanding the struggles of our German comrades in the years to come. With their fortunes are bound up those of the whole European working-class. For the Old World there can be neither peace, nor liberty, nor cultural progress, while the Nazi reaction holds the German nation in its grip. Socialism, in our Continent at least, has no future, until it reconquers this central position. We owe many debts of comradeship abroad—to the peasants and workers of India, to the Russian Socialist Republic. But no debt is more imperative, no duty more intimately linked with our own destiny, than that which we owe to the German working class. Until it stands on its feet again, there is no secure future for us.

The problems, moreover, with which this group is grappling are also, in some degree, our own. The capitalist reaction has not yet fallen upon us with the brutal intensity that it has developed in Germany. But for us also, at home as well as abroad, the liberal era of capitalism is ended. We, too, are faced, if not by a "totalitarian" capitalist state, at least by a politically united capitalist class. For us also the slump has been the signal for the coming of a new phase of Imperialism. We, too, have hugged our illusions about the value and permanence of political democracy. We, too, were tempted under impotent Labour Governments to forget our goal, the conquest of economic power. For us also a "new start" based on clear and courageous thinking is imperative. It is our good fortune that our movement stands intact and has the chance, if it will seize it, to learn and apply the moral of German experience.

H. N. BRAILSFORD

FOREWORD

Socialism's New Beginning (American Edition)

For the world at large the outstanding event of 1933 was not the beginning with President Roosevelt's inauguration of an Indian Summer of capitalism under the control of a powerful but liberal state. Such an event rather was the definite triumph of Hitler in Germany with the immediate consequence of ruthless repression of what had once been the strongest working class movement in the world and the triumph of Fascism in the form of a tribal nationalism, a triumph of incalculable and sinister significance for mankind.

Since then in all the great mass of literature about the various brands of Fascism there has been no discussion to reach the outside world from the lips or pens of its principle victims—the active Socialists still in Germany. We have heard much from German exiles or refugees. Recently we have had from the German Socialist Party in exile an extraordinary confession of political error, and a plan for the future which whatever its value cannot be carried out by exiles from their home country, least of all by exiles led by men who made no more successful resistence to Fascism when they were at home. It is to the younger generation in Germany that we must look as the wisest of the Prague leaders will admit.

This little book proves that we need not look in vain. It is the work of a group of young men and women who frankly recognize the need of new beginnings. Its theory is the result of years of activity in the German labor movement leading up to intensive discussion and research work in the years immediately preceding the German fascist revolution. The book was written under

perhaps the most brutal and efficient dictatorship in the world, smuggled out of Germany, published in German and French and in English by the National Council of Labour Colleges in England, to which body we owe this English translation. The ability of this German group to keep on working at its new beginnings depends upon their success in remaining underground. They must remain for an indefinite future the unknown organizers and soldiers for the social revolution.

Yet out of this atmosphere of danger and secrecy has come an astonishingly objective study of Socialist tactics, past, present and to come. One cannot read the book without new confidence for the future of Socialism in Germany and in the world if it can produce a group capable of such clear thinking combined with courageous action in the face of incredible difficulties. There is in what these men have written regret for the past without either despair or corroding bitterness. There is hope for the future without illusion about the present or the subjective romanticism which makes the underground Communist movement in Germany almost as futile as it is gallant. Yet there are times when the gallant gesture has its place in the appeal to the masses which any carefully trained group which seeks leadership must make. A true "new beginning" will recognize that fact.

It would clearly be out of place in a brief foreword to discuss in detail the problems our German comrades have raised in their compact argument. They are speaking about Socialism, not merely German Socialism, and much of what they say concerns Socialists in every country who are trying to draw up programs of action. It must not be forgotten, however, that there are necessary differences in emphasis and organization between the problems of German Socialists struggling underground

against a dictatorship, of English Socialists in the Labor Party, who are probably on the eve of one more opportunity to see whether or not they can establish a Socialist state, and of us American Socialists, still weak in organization, with our ideals not yet accepted as the ideals of the working class movement, and with very few years for action if we are to stop the drift to Fascism. Our country has as yet no Mussolini, no Hitler, not even a Mosley. A large part of the Socialist problem is to see how we can win strength among those elements in society which the Fascist movement made its dupes in Germany before they are organized by an American Hitler.

One service which I hope this little book will render to Socialism in America and elsewhere is to the cause of realistic thinking about Socialist philosophy and tactics. For thinking we too often substitute labels: "left," "right" and what not. Both "lefts" and "rights" as those labels have been used in the past, would find it difficult to classify the position of the New Beginning group as expressed in this book!

The most suggestive contribution which the book makes to Socialist theory is its extraordinary interesting discussion of the essential difference between the bourgeois revolution of the past and the Socialist revolution which "is preceded by and introduced by the proletarian revolution." This section of the book is worth a study that goes deeper than a mere reading.

American Socialists of all shades of opinion will also be interested in this German opinion of the present achievements and dangers of Socialist construction in Soviet Russia. One may agree fairly closely with the basic point of view of our German comrades, not only on the Communist movement in general, but its achieve-

ments in Russia in particular, and yet question the complete validity of their economic arguments against the Five Year Plan.

In general one feels in the book at least a temporary acceptance of the economics both of scarcity and of nationalism. It is true enough that a Socialist state in a transition period will need to have the checks of careful cost-accounting, of qualified competition, and even, perhaps, of some use of the price system to help determine consumers' choice. Suddenly to put the whole economic life of a nation under the best intentioned Socialist bureaucracy would, under the most favorable circumstances, have the dangers these German thinkers point out. But to an American there is something foreign in their emphasis upon the problems of agricultural production. Already, in capitalist America, owing to resources far greater than Germany's, ours is a problem of distribution. Our farmers already produce too much to be handled under capitalist economy. In order to get things moving at all, we in America should have to come to something fairly near the process which our German friends describe as socializing consumption goods more quickly than they imply in their excellent discussion of the difference between nationalizing industry and socializing goods. One possible approach to our problem might be by means of an outright grant of spending power to the least privileged in the community, a grant outside the price system in order to enable the children of cotton share-croppers and textile workers to wear cotton clothes.

This implied acceptance of scarcity is, of course, bound up with the national approach to Socialism. The authors of this book are probably right in thinking that Socialist internationalism will come by the socialization

of national states. Like all good Socialists they are loyal to the ideal of a Socialist world-community. But if the process of attaining this community compels us indefinitely to accept the limitations of national states, even Socialist states, we may as well admit that the acceptance of the economy of abundance will be delayed and that our ultimate internationalism will be beset with many economic and psychological difficulties—such as, for instance, the encouragement of a very expensive production of wheat in Germany when the farmers of the United States, Canada and the Argentine are crying for markets. Mr. Clark Foreman, in a provocative study of what he calls "The New Internationalism" insists that the internationalism of the future must be an internationalism of which national states are the units and from the angle of national control of trade he professes to find comparatively little difference in the tendencies now under way in Soviet Russia, Fascist Italy, Nazi Germany, and Roosevelt's America. We wonder what our German friends would think of his argument or what weight they would give to Trotsky's indictment of Stalin's nationalist tendencies. If we are all compelled to act within nations and to use the institutions and culture of a particular nation it is at least important that we should recognize the cost of what we are doing and the great value to real Socialism of getting outside the dangerously inadequate national limitations as soon as possible lest they poison Socialism with Fascist virus and help to plunge the world into new war out of which barbarism instead of Socialism will be the likely victor. We should immensely welcome what light these German Socialists, who see Hitlerism at close range, can shed upon this problem.

There is one other matter of general interest on which

discussion in and out of Germany should shed light. The manifesto before us unequivocally declares for the *party state* as essential for Socialist construction; that is we take it, a state which in a transitional period is under the dictatorship of the Socialist Party. Yet, in the struggle against Fascism in Germany, the Manifesto advocates the slogan of "the democracy of the workers" and on the road to it will welcome alliances with anti-Fascist elements. Apparently the authors believe that a workers' democracy and a party state are or will be synonymous. That is something which they do not attempt to prove and concerning which I confess grave doubts.

It is not clear how the Socialist Party state would avoid some of the evils which our German comrades find in the Russian bureaucracy. So far as the failure of the German Social Democratic Party in Germany was concerned it is not at all clear from this searching study that its belief in democracy, even a capitalist democracy, was its major blunder. It was rather its initial support of the war and its later loyalty to capitalism and the bourgeois state—a loyalty, as these authors candidly admit, which came from the great majority of the workers themselves and was not forced upon them by astute and hypocritical leaders.

But what is clear and immensely to the good is the insistence of these German thinkers upon the necessity for a great and mighty movement of workers from which Socialists shall not split off in sects when they think it goes wrong, but in which they will stay to seek to win for themselves by the soundness of their thinking and the quality of their action a leadership in the struggle for the new society. Here, surely, is a lesson for an America in which today the working class movement or

its more radical and revolutionary wing, is beset by sectarianism. It is an argument for Socialists to stay in, to get in, and to work in the A. F. of L. as far as possible. It is an argument why we must welcome a political mass movement of farmers and workers, if and when it emerges in a form that is conscious of the solidarity of workers with hand and brain.

But it is not the business of a foreword to suggest applications of this German Manifesto to the American scene. It is its business first to hail the appearance of this book and the wisdom and courage of its authors and then to accept its invitation to join with our comrades in Germany and everywhere else throughout the world in thinking together and acting together to establish that Socialist society into which men cannot drift but to which they may come by organization in the light of a great purpose and in loyalty to a well thought out plan.

NORMAN THOMAS

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INTRODUCTION

On January 30, 1933, a coalition government was formed in Germany with Hitler at its head, and on February 28th, with the burning of the Reichstag, the national socialists inaugurated their reign of terror against the socialist labor organizations in Germany. By the middle of July all the bourgeois parties had been voluntarily dissolved, and all the non-national socialist bourgeois organizations of every description—economic associations, religious bodies, cultural organizations, etc. —had either been brought under the leadership of the National Socialist Party or been abolished. The trades unions, as the free class organizations of the proletariat, had been exterminated, as also the workers' cooperative societies, the workers' sport organizations, the free-thinkers' associations, etc. The great socialist parties, the Social Democratic Party and the Communist Party, had been banned, their press, their buildings and their property had been confiscated, and their leaders and officials had been thrown into concentration camps and prisons or had fled into exile. The National Socialist Party is today not only in sole possession of power, but is also the only organized force in the political life of the nation. It is the sole arbiter of the education of children, and it is the sole arbiter of what expressions of opinion shall reach the public. In a period of less than eighteen weeks[1] a transformation has been effected in the political structure of society and in the form of the state, which, for its rapidity and the radical nature of its results, is without a parallel in history.

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[1] August 1933

To the socialist labor parties this lightning development has come as a bolt from the blue. They have fallen prey to the fascist onslaught without any attempt at, nay, without even any thought of, serious resistance, and the remnants of them, reduced to a state of hopeless confusion and complete bewilderment, are increasingly falling prey to the terrorist power of the state, which is being steadily consolidated. The great working-class organizations, which once appeared to be so powerful, and which were organized only for open mass agitation under conditions of legal democracy, are proving completely incapable of adapting themselves to the new conditions of illegal struggle under fascism. This might have led merely to a serious but temporary suspension of the struggle for socialism. What was of far greater moment, however, was the fact that they were completely incapable of comprehending the social events leading up to the fascist revolution which had taken place in their midst, and the fact that, uncomprehending and bewildered as they were, they regarded the victory of German fascism only as a short episode in a society which could, fundamentally, only be democratic and which was bound, therefore, after a shorter or longer period of fascist dictatorship, to return of itself to democratic conditions.

It is only possible, however, to conceive of a continuation of the struggle for socialism under fascism, if the socialist protagonists have a clear and scientific understanding of the origin, the nature and the future prospects of fascist development, and if they have learned, as revolutionary Marxists, to draw clear conclusions for their practice from a scientific analysis of society. In other words, if they have a sufficiently

well-grounded Marxist theory of the epoch in which we live, a clear recognition of the tasks arising from this understanding, and enough experience and capacity to carry out these tasks.

Without these preliminary conditions, any socialist struggle against the fascist reign of terror is doomed in the long run to failure.

What position, then, have the socialist parties in Germany taken up since the victory of fascism? Hitherto the communists have not even deigned to take cognizance of the historical changes. Germany is, for them, still in the stage of "revolutionary upsurge." Their party, it is true, has been destroyed, and developments have been quite contrary to their political expectations and predictions. So much the worse for history! Incapable of reasoning otherwise than according to their dogmas and theses, they believe with positively religious fervor in spontaneous revolutionary forces which, they maintain, lie dormant in the proletariat and owe their origin to its class position. They are firmly convinced that fascism is bound by the pressure it exerts to liberate these forces, and that the German working class is only waiting to be led on by the communists to the "final struggle for freedom." If, however, the proletarian masses have not yet drawn the logical conclusions from these convictions, it can only be the fault of the social democrats and other groups, who in demagogic fashion restrain the masses from proclaiming the Communist Soviet Republic. The communists, therefore, need only proclaim "the truth" in hand-bills and newspapers in order to hold back the masses from the wrong path; they need only tell the proletariat, which, of course, desires the communist revolution, that the "general staff" for this

uprising is already in existence in order to incite the masses of the people to overthrow the brutal fascist rule. The Communist Party of Germany is today nothing but a decimated machine for the distribution of illegal hand-bills; and, owing to the methods of its work and its attitude to the tasks in hand, it is becoming useless for any genuinely effective anti-fascist struggle and is destroying itself from day to day. The communists are fundamentally creatures of bourgeois democracy. With amazing fortitude and extraordinary devotion to their cause, they hurl themselves with bared breasts against a vastly superior enemy, shouting, "Kill me, but I still believe in my cause!" This is the kind of courage that leads to the destruction of one's own forces.

German Social Democracy has taken up no united position. A distinction must be made between the utterances of the leaders and refugees of the old party, which has been able to create, while in exile, a wide forum for the promulgation of its views, and the standpoint of the socialists who are carrying on the struggle in Germany itself. The latter have been able to win through to greater clarity owing to the conditions of their struggle, but because of their participation in the struggle they have been more or less prevented from advocating their views before the democratic public abroad and in getting them accepted. The following pages should constitute at least the first step in this direction.

What, then, is the position of the social democratic refugees? They too expect that a spontaneous uprising of the masses will put an end to fascism. They too believe that they can accelerate the natural end of this "unnatural" barbarian rule by means of democratic

propaganda. The only difference between them and the communists is that they carry on this propaganda almost exclusively outside the frontiers of Germany.

On a closer examination, therefore, it is clear that the theoretical position of the two parties is by no means so far apart as appears at first. The belief in a revolutionary spontaneity inherent in the proletariat forms the basis of all their judgments and actions. The social democratic refugees, however, look forward to a new Weimar Republic as the objective of this spontaneity, whereas the communists believe that it is bound to result in a Soviet Republic.

But what if this revolutionary spontaneity were to exist only in the imagination of the socialist parties and not in reality? What if the proletariat were not to be impelled of itself, that is, by natural social forces, towards the "final struggle for socialism"? Why was it in the post-war period, precisely in that period in which the bankruptcy of world capitalism, predicted decades before by the socialists, was revealed in such a terrible way, that the process of decline in the international socialist movement set in? Why, in spite of this, did the masses follow the bourgeois leaders and not the socialists? Why was it possible for fascist parties to come into existence in large countries with enormous proletarian classes and to win and hold the masses and the power without any effort? Why did the crisis lead in Italy and Germany to fascism and not to socialism? Indeed, what is "socialism" and how are we to achieve it? Why are there a thousand different answers, of which national socialism is only one, to the question as to the socialist objective? Why not *one* clear objective, *one* direct path and *one* driving force? These and other inconvenient questions force themselves upon

us if we examine without bias the events which are taking place before our eyes.

We must speak the truth! That is today the primary task with which this epoch confronts the socialists. We must have the courage to look the facts of our age clearly in the face, even if they displease us or show our former prophecies to be erroneous. Only thus, if we examine historical developments honestly and fearlessly, critically and consciously, shall we be able to master them.

This book is intended to serve the purpose of providing the German socialists engaged in the struggle with a new conception of their tasks, and at the same time of creating the intellectual and political basis for the reorganization of their ranks. Written as it is in haste and under the oppressive conditions of fascist illegality, it can, in its form and scope, merely present the results of researches and discussions. A detailed presentation of them and a justification for them must be reserved for a time when the conditions of the German struggle permit. Although today circumstances impose limitations upon us and compel us, in the interest of our illegal activities in Germany, to leave much unsaid, we hope that this appeal will bear witness to the unbroken spirit of the German socialists, to their confidence and their firm determination to attack and carry out with renewed energy and with new methods the great tasks of the socialist struggle for freedom which was bequeathed to us by the previous generation of socialists.

One word more with regard to the social democrats in exile. They themselves have emphatically stated that the new leadership of the party would be born out of the struggle in Germany, and that the only task

of the old officials in exile would be to leave the field clear for it. Very well, this new leadership is now knocking at the door. It will fulfill its tasks as it has fulfilled them up to the present moment. The time has now come for the old officials of the party abroad to keep the promise with which they took up their propaganda work in exile. If those who bore the responsibility in the past will now make way for the fighters of the present, we need have no fear for the future.

The primary purpose of this book[1] is to serve our German comrades as a basis for a new conception of their tasks. Furthermore, we believe that the socialist parties in other countries, which are, indeed, faced with the same problems as those which faced us not long since, will be able to draw from our discussions and our experiences lessons for their own work.

Finally, it seems to us within the bounds of possibility that the terrific pressure of circumstances—the victory of fascism in Germany, the intensification of economic and political antagonisms between the nations, the danger of a new world war, the serious crisis in the Soviet Union — will provide the impetus for spreading discussion of the methods and objectives of the socialist struggle beyond the ranks of the parties of the Labour and Socialist International,[2] and thus for preparing the ground for a rebirth of international working-class unity.

GERMANY
August, 1933

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[1] Only minor changes have been made since the original German version was written.

[2] Commonly known as the Second International.

Socialism's New Beginning

CHAPTER I

THE HISTORICAL BACKGROUND

THE CONTRADICTIONS OF THE CAPITALIST SYSTEM

The capitalist economic system is by nature contradictory. It can exist only by continually intensifying its inherent contradictions and thus creating the conditions for more and more destructive catastrophes. The intrinsic laws of capitalism necessitate a constant increase in productivity, if enterprises are to continue to pay. At the same time, however, the welfare of the workers, even in a period of increasing capitalist prosperity, lags further and further behind the expansion of production and the accumulation of wealth and economic power on the part of the possessing classes. This forces the capitalists into selling their goods abroad and investing their capital in foreign countries. At the same time the development of agriculture, which is less mobile and less profitable, lags, in many countries, behind that of industry, and the development of the production of consumption goods[1] behind that of production goods; and this intensifies the inherent contradictions of the system. The rapid but uneven development of technical progress in agricultural methods in certain other important agricultural countries likewise acts as a factor in the intensification of crises. For more than a century this instability in capitalist economy

[1] Goods ready for the consumer as distinct from means of production like machinery.

has caused the periodic devastating trade crises which, confined for the most part within national limits, have constituted the precursors of the great social upheavals in the capitalist world which we are now experiencing. It is also, in the last resort, the driving force for the international rivalries which made their appearance in the epoch of imperialism and led to the world war and to the economic world crises of the post-war period.

Capitalism has reached the stage of monopoly. The steady growth in the socialization of production is in contradiction to the fact that a smaller and smaller number of private individuals appropriates its products. Monopoly, itself a product of capitalist contradictions, is becoming a more and more powerful driving-force in the development of antagonisms within the system. Continually larger aggregates of capital are concentrated in a few hands; more and more gigantic factories, cartels, syndicates, corporations and trusts, forming complexes of hitherto undreamed-of economic power, are coming into existence. The tendency towards the limitation or even the elimination of competition as a result of the driving out of, or amalgamation with, competitors, has led more and more to monopolies and to the attainment of positions of power in the economic and political life of the nation by individual capitalist groups. Some monopolies, such as, for example, the armament industries in certain countries, or cliques of landed proprietors in others, from time to time play, through complacent individuals, a controlling part in the government of the country. This development towards monopoly has completely altered, if not the essential character, at least the external aspect and the forms of the capitalist system. In place of a *laissez-faire* capitalist system, based on relatively

unhampered competition, a system of monopoly capitalism has arisen in which, over wide areas, competition has been partially or completely replaced by the domination either of a single capitalist unit or of a few capitalist groups. This development has not only contributed towards undermining the illusion of freedom arising from the system of free competition, and thus paved the way for the political developments of the post-war period; it has also brought about immense concrete results. It has interfered with the automatic machinery of capitalism whereby, formerly, any disproportions arising were constantly corrected to some extent, and it has thereby brought about an increasing intensification of the inherent contradictions. By a tremendous speeding-up of the process of capital accumulation, at the expense of the consumers, on the part of those industries organized on a monopoly basis, this development has intensified the drive of such industries towards expansion, and, at the same time, as a result of the increased political influence of the trusts on the machinery of government, it has provided them with the commercial and political means of carrying on a dumping war against other nations with the help of a suitable tariff policy. This monopoly capitalism is the capitalism of uninterrupted economic warfare. Whatever the forms of government of the capitalist countries may be, they can do nothing to alter this contradiction and its effects.

THE EPOCH OF IMPERIALISM

The more and more rapid development of capitalist countries and their more and more complete entanglement in a network of closely interdependent organizations long ago created, out of the multiplicity of

capitalist nations, the system of world capitalism. Thus there arose a system which is as comprehensive as it is unstable and which reproduces the contradictions of capitalism on an international scale and on the highest possible level.

With Europe of the middle ages as its starting point, modern capitalism has gradually penetrated all the European and American countries and drawn them into its orbit. America and the other countries within the sphere of capitalist influence, such as India, Japan, Africa, etc., originally constituted merely the important sources of raw materials, exchanging their products for the manufactured goods of the "Northern-European industrial workshops." This international division of labour was rendered natural and fitting by climatic and geographical conditions. It was never consciously desired and brought about, but arose rather as the result of historical developments.

Gradually, however, the picture changed, for the capital accumulated by this trade in Europe, and especially in England, was invested in the countries which furnished raw materials. And so these latter countries developed their own industries, that is, industries for finished goods. Finally, to a greater or less extent, machine industries were established in them, and thus capitalist nations of approximately similar economic structure came into existence in all the important countries of the world (with the exception of the large non-capitalist communities of China and the interior of India). The speed of this process of assimilation continually increased during the course of the nineteenth century and led to greater and greater disorganization of the original international division of labor.

Owing to the fact that all the European and, finally, the non-European countries, came more and more to resemble each other in their industrial structure, manufacturing the same raw materials and endeavoring to sell the same commodities, a more and more intense struggle began for the important sources of raw materials and the markets of the world. The fear that a competitor nation would seize the remaining available areas led, towards the end of the nineteenth century and the beginning of the twentieth century, to an extremely rapid partition amongst the European industrial nations of those parts of the world which were still not industrialized and were still available (with the exception of China). During this process the United States, formerly a semi-colonial country, were also more and more transformed into an independent powerful industrial nation.

The rapid division and industrialization of new areas at the turn of the century intensified, on the one hand, the economic and political rivalry of the great powers, which led to the formation of military alliances and thus constituted a direct prelude to the world war (the Spanish-American war, Russo-Japanese war, the Balkan wars). On the other hand they added at first to the general welfare and the industrial development of the mother countries and created that unique period of prosperity which was observable in the last twenty to twenty-five years before the war. But this prosperity was only purchased at the cost of an irrevocable accumulation of further tremendous political and economic contradictions between the powers, which finally led to the world war.

THE WORLD WAR AND THE POST-WAR CRISIS

The world war was the consequence of the events which preceded it. It was an explosion resulting from the terrific accumulation in the capitalist world of economic and political contradictions between the nations. In contrast to explosions in nature, however, it led, not to equilibrium, but to an intensification of the contradictions which had brought it about; and thus the capitalist world economy and international relations emerged from it in a state of far greater conflict than before.

This development was brought about not only by the gigantic expansion of war industries but also by the division of the world into Central Powers and Allies. For nearly four and a half years the Central Powers ceased to supply the rest of the world with industrial goods, while the increased war requirements of the Allies were met by a speeding-up of industrialization in the United States and Japan, and in other more or less industrially backward parts of the world (India, South America, etc.). The disorganization, already mentioned, of the international division of labor, which resulted from the progressive industrialization of countries formerly producing raw materials, made swifter progress in the war years than in as many decades of peaceful development. The result was that the chaos of international competition grew to vast proportions, for the "war-time industrialization" furthered the development of certain specific industries for which there had been insufficient scope in peace-time. Not merely was competition in general intensified, but a far more disorganized and chaotic economic system came into existence than had ever before existed

and ever could have come into existence under peaceful conditions. And these conflicts were still further intensified by the enormously increased rivalry between the powers which was brought about by the spasmodic changes in the relation of military and economic forces caused by the war, by inter-allied war debts, by reparations, by war damage, by frontier alterations, the disarming of the Central Powers, etc.

In the early period after the war this truly catastrophic situation of world capitalism was concealed, in the case of several countries, by the opening up of special markets, as a result partly of immense movements of gold, partly of the need for the repairing of damages caused by the war. The fact was overlooked that under post-war conditions prosperity would only be possible for some of these countries at the cost of a still more rapid and deeper decline of others (compare, for example, the European inflations of 1919 to 1924 with American prosperity or the prosperity in Germany resulting from American loans between 1927 and 1929; the economic development of the U. S. A. between 1921 and 1929 and the partial economic development of Japan in the same period with the relative decline of the British Empire with its centrifugal tendencies). But finally the international economic contradictions accumulated to such an extent that there was no more scope for even partial development in any part of the world. The capitalist world (historically viewed), was intermittently drawn into the vast economic and political crisis which engulfed all the nations during the years 1930-32 and which led up to the present situation.

If we view events, not at close range, but from a wide historical perspective, we are bound to come to

the conclusion that the world war was not merely a tremendous, unique and fortuitous historical event, a great historical episode in the general development of world capitalism, but rather that it marked a turning-point in the history of the capitalist world. Until the year 1914 there occurred in general an enormously rapid advance in capitalist economy as a result of continuous technical progress and a more and more rapid division of the still available non-capitalist areas of the world among the capitalist powers.

As early as the last few decades before 1914, it is true, the limits of this development became increasingly evident, since the areas of the world that could be easily "civilized" were proving too small under the existing capitalist economic system. In spite of the fact that the industrialization of the colonial countries has resulted in expanding rather than shrinking markets, and in spite of the increased needs resulting from the spread of capitalism, the share of the workers in the sum total of production is relatively diminishing. Organized capitalism not only intensifies the rivalry of the national imperialist economic systems, but also emphasizes the role of the capitalist countries as exploiters. With the expansion of capitalism larger and larger sections of humanity were made fellow-sufferers. The ever greater productive forces liberated by humanity were bound to lead, therefore, to an increasingly disruptive competitive struggle between the nations, and this struggle culminated in the world war.

From this time onwards, the negative economic tendencies of modern economic developments had the upper hand. Post-war international relationships were increasingly dominated by the watchword "All against

all," and by a terrific intensification of national, economic and political antagonisms. The world war, therefore, marked the great decisive historical turning-point at which the line of development of world capitalism, which had previously displayed, in general, an upward and progressive tendency, began to fall. The devastating crises which we are experiencing are not isolated social "accidents," but rather the manifestations, the symptoms, of the fatal turning-point in the capitalist system which has so long been predicted by socialists, and which will lead to a catastrophe for western civilization unless it succeeds in breaking its way through to a socialist society. Within the framework of capitalism all economic cures, conferences, treaties, etc., are bound in the last resort to lead to an intensification of the crisis of the system.

This aggravation of international antagonisms also has a terrible reaction on the internal economic situation of the individual nations. The export industries of the industrial countries have to a great extent been brought to a standstill and have adopted protectionist measures. This has led to an international trade war which has still further deepened the internal economic crises of the various nations. The decline of export trade has upset the internal balance in respect to other branches of national economy, some of which, such as agriculture, have been overtaken by the most terrible catastrophes. This is leading to mass unemployment in all the advanced countries, and to terrible distress in agriculture. This development will, on the whole, be a characteristic of the future. Its progress will not be uniform; long periods of steep decline will be interrupted by short periods of recovery—and we seem to be on the verge of such a period at the moment—but

this will not alter the general trend. The nations are being driven by the most terrible distress to think only of themselves; armaments and alliances will more and more dominate world politics and will finally lead to a new world war from which the capitalist world will emerge in a still more devastated state than before.

THE ORIGIN, NATURE AND SIGNIFICANCE OF FASCISM

(1) *The Driving Forces in Society Leading Towards Fascism*

The fascist revolution in Germany has brought to the surface problems of the greatest international and historical importance. So long as Italy alone had replaced the democratic form of state hitherto prevailing by an absolute party state of ultra-nationalist complexion, this form of state was still to a considerable extent regarded as an isolated instance, conditioned by the backwardness of the Italian agrarian economy, the temperament of the Italian people and Italy's social structure, etc. Now, however, that the Weimar democracy has been overthrown in a highly industrialized country like Germany, and been replaced by a dictatorship which has rapidly approximated to the absolute fascist party state on the Italian model, the most hardened sceptic must perceive that we are faced with a great historical tendency which cannot be explained in terms of the special conditions in Italy. The world-wide echo of events in Germany, the acceleration of similar developments in Switzerland and in Austria, as well as the germs of such developments in England, Hungary, Holland, Spain, etc., show that there exists some kind of tendency to replace the political democracies in capitalist countries by ultra-nationalist party states on the Italian model. If

these forms of state are called fascist, after their Italian prototype, we may say that there exists throughout the whole world in the various countries a general *tendency*, more or less pronounced, *towards fascism.* If this is true, then questions as to the political and economic fate of humanity are raised the significance of which can scarcely be predicted today.

The question as to whether the rest of the capitalist world can see its own future mirrored in the fascist developments in Italy and Germany can only be answered if the origins of fascism are investigated and if the ultimate motives are known which cause whole nations to abandon democracy, that is to say, their own political maturity, and to submit themselves willingly, enthusiastically and blindly to the dictation of a reactionary party bureaucracy and a "leader," who apparently possesses more absolute power than any absolute monarch has ever done. Only if the driving forces are known which cause these nations to substitute for their "desire for peace and international goodwill" a desire for war and an ambition to oppress other nations, can the essential character and form of fascism be comprehended. Only if we succeed in discovering the causes of these phenomena, shall we be able to obtain a picture of the historical position and the future of fascism and also of the fate of the great democracies which are still in existence, of the socialist labor organizations and the tasks which today confront the fighters for socialism.

Progress towards democracy in all capitalist countries was a characteristic of the political life of the pre-war period, marked as it was, in comparison with the present, by the placid course of economic and political events. How then, did it come about that at the

end of the world war an apparently quite contrary movement made its appearance, which reached the first stage of its victory with the advent of Italian fascism, and which can now record its second important historical victory in the national revolution in Germany?

The general basis for these developments is the fact that world capitalism has entered upon its period of decline. For this development is bound to have the deepest influence upon the economic and political life of the various countries. In all parts of the world economic life is disorganized; the struggle of individual economic groups and political cliques is being intensified; politics and business are being permeated by indescribable corruption. The misery of the workers is being accentuated to an unbearable degree; unemployment and the lowering of wages frequently accompanying it constitute a scourge for the working masses, while complete insecurity menaces the urban middle classes and an agricultural crisis harasses the peasants. This social crisis is reflected in the formation of party after party, each of them more complicated and with less prospects than the last. These parties wage war upon one another and struggle for political influence. They are unable to show any way out and thus merely add to the chaos. The socialist labor parties, which still frequently play an important part in European politics, are no exception to this rule. In spite of having predicted for decades the present crisis of capitalism, they are completely helpless when faced with it, and have no better remedies to offer than the bourgeois parties. Or else they are completely isolated from the masses and, held spellbound by the bureaucracy of the Comintern, prove incapable of achieving any success in the political life of their own countries.

The situation is becoming more and more intolerable for the broad masses and even for the middle classes. Their hatred for the political order which so obviously seems to them to be the cause of their sufferings, their disgust, nay hatred, for the party system of the democratic state, permeated as it is with petty squabbling and corruption, are growing more and more violent, while there is a growing desire for a "strong hand" which shall clean out the "stable" with an "iron broom" and establish a "juster order." This desire for a "leader" does not, of course, imply any predilection on the part of the masses for servility. It arises, rather, out of their intimidation in face of the terrible consequences of the capitalist crisis.

Rising unemployment, increasing economic and political confusion, and the growth of corruption appear to be the consequences of the weakness of the democractic form of government, its disorganization the result of the struggle between parties and cliques which characterizes it, that is, the complete failure of democracy, whereas it is, in reality, the crisis of the capitalist system which is responsible for the crisis of democracy.

The "leadership-principle," furthermore, has its social roots in the increasingly centralized organizational relationships within the system of monopoly itself. The overwhelming personal power of the directors of large enterprises and trusts, the social role of the few leading big-business magnates, their very real influence in political and social institutions, the oligarchy of the industrial and banking "kings"—all this favors the illusion of a possible salvation through almighty dictators who shall lead the way out of the wilderness and overcome the crisis. The masses

are at last calling for a dictator to destroy bourgeois democratic liberty, which, according to them, is preventing the untying of the Gordian knot, and with it the removal of the ostensible cause of their sufferings.

It is the same with regard to the growth of nationalism. The partition of the world having been completed, the more the available areas undergo capitalist industrialization, the more restricted is the elbow-room for the various *capitalist nations.* That is to say, so long as all the capitalist countries confront one another in an unrestricted competitive struggle, the exploiting class has fewer and fewer opportunities of making profitable investments. A solution could be found only if all the important and advanced nations were systematically to reorganize the international division of labor on a new basis. But this is impossible under capitalist conditions. The contrary is, rather, the case. The more confused international relations become, and the more world trade shrinks, the more the individual nations arm themselves for an economic war in order to defend their own economic existence against every other nation and thereby to attack all the others. We are at present living through a war which is hardly less devastating than the world war, which claims a far higher toll of human lives, works more material havoc through scurvy, starvation, suicide, infant mortality, disease, bankruptcies, agrarian catastrophes, the closing down of factories and the destruction of capital, which results in more material devastation, than the world war.

But just as during the war the various nations did not recognize the war itself as the cause of their sufferings, but rather held the "misdeeds of the enemy" responsible, reacting to them on their part with an

even greater display of patriotic activity, so today the masses envisage only one objective in the present economic war—that of obtaining more elbow-room by extending their own economic and political frontiers: a way out, that is, based on the intensification of their own national spirit of aggression (and for the individual nations there is, under capitalism, no other method than this; a method, which, if resorted to by them all, would only plunge them deeper and deeper into international economic chaos). Fascism in Italy inaugurated its propaganda with the slogans, "A greater and mightier Italy," "Fiume" and "A nation of warriors." In Germany national socialism has fought its campaign of agitation with the slogans, "Down with Versailles," "The arming of the German people" and "Economic self-sufficiency." Economics and political nationalism thus tends to crystallize into a great unified idea in the mind of the masses. It is not true that the masses in Germany became national socialists owing to the agitation of the national socialists, but the fact is, rather, that the agitation of this party could only succeed in so far as the masses were nationalistic and looked with favor on the idea of dictatorship. This was a social phenomenon which was called forth in the last instance by the conditions of the decline of capitalism. This nationalist spirit of aggression is faced with the obstacle, puny though it may be, of the internationalism of the socialist labor movement. Fascism, therefore, in the course of its struggle for power, conducts a campaign of destruction and extermination against the socialist labor movement, with the battle-cries "Down with Marxism" and "The high treason of the communists and social democrats." For, after all, this movement constitutes the only polit-

ical organization which is founded upon the far-reaching and permanent community of interests of a large section of society.

The indifference of the workers to the fascist campaign of destruction waged on the socialist labor organization is, however, the consequence of the repeated and disgraceful failures of these parties and organizations. Instead of combining all their forces against the foul system that prevails, they have put all their strength into attacking one another, and in this respect the communists have displayed particular narrow-mindedness. The communists and social democrats have shown themselves to be incapable of organizing the masses for action against the prevailing system. They have, each in their own way, been reduced to utter bankruptcy. The disappointment of the workers in their own organizations is the fundamental cause of their indifference and inactivity in face of the fascist advance, and even of the partial sympathy which they show towards it.

(2) *The Role of the Fascist Party*

These anti-democratic, anti-socialist, nationalist social driving forces (in the aggregate they may be called national, reactionary social driving forces) are gaining a hold upon wider and wider sections of the people. Certain proletarian strata are also being affected by them to a growing extent, although the partially pauperized petty-bourgeoisie constitutes the actual basis for the development of fascism. These tendencies, however, would not alone be sufficient to bring about fascism. They are merely the decisive social preliminary conditions for the rise of fascist movements and for the victory of the fascist party.

Before the war world capitalism was still expanding; neither the favorable conditions, therefore, for the growth of fascism nor fascist parties could exist. The nationalist organizations in several countries merely exhibited at that time certain similar external characteristics. The war, however, inaugurated the period of the decline of world capitalism, and since that time the conditions for fascist development have been present to a greater or less extent in all countries. How decisive these are and whether they will lead to the establishment of an actual fascist dictatorship depends on the particular circumstances in each country. The germs of such parties, however, are to be found today in all the capitalist countries. In England there is the Mosley group, in Switzerland the national socialists ("Die Fronten"), in Austria the *Heimwehr* and the national socialists, and so on. In the U. S. A., in Spain, Finland, etc., are also to be found the germs of similar organizations. The victory of German fascism has, to a greater or less extent, given a fillip to fascist tendencies in all countries.

These groups may very well exist for years as no more than ridiculously small and insignificant centrally-organized groups. Only when the economic and social conditions of a country mature, only when a long economic and social crisis has radicalized the masses, and the socialist labor parties have discredited themselves in the eyes of the workers, only when the parliamentary party system has ceased to function, and dictatorial nationalist tendencies begin to grow among the masses—only then can such a sect become the nucleus of a great fascist party, gradually win over the masses, and be carried by them to power. Only in this way do the vague popular trends of a nationalist

reactionary character become fascist tendencies, that is, social forces with a political form, more or less consciously striving for, and shaping, the fascist state.

The illusion should not be cherished that Mussolini has created the fascist state and Hitler a national Germany. The reverse, rather, is true. The national, reactionary preliminary conditions and tendencies in the masses, once they have been intensified beyond a certain point, drive a fascist party, which is by nature active, forward. And since this party has as its objective the destruction of the democratic parties, and since its aim corresponds to the desire of the masses, it will in so far as it gains the favor of the masses, and will cut the ground from under the feet of the old parties, come to power (at first usually in coalition with the other bourgeois parties). Once in full possession of power, it will, to avoid the formation of an opposition in the future, abolish, step by step, the miserable remnants of the old democratic parties and bloodily suppress the germs of any new parties. This is necessary owing to the fact that, after all, any extra-fascist party would be bound to become the reservoir for all opposition tendencies which even under fascism are called forth as a result of economic crises. Fascist parties, springing as they do from a denial of democratic principles, are organized on a militarist, that is, a centralized, basis. The man at the top need not be a genius, but merely a good propagandist with a firm belief in his cause and his mission, and capable of so controlling the internal party apparatus as to be able successfully to suppress the bids for supremacy of other cliques. If he succeeds, he will, with his party, eventually be carried by the tide to power, and it will then appear as though he had created the fascist revolution. In

reality exactly the opposite will have occurred. The fascist revolution will have created him. Hitler, for example, even if honest, is a thoroughly mediocre individual with somewhat ridiculous ideas. It was much more important for his success to suppress the pretentions to power of an Ottor or Gregor Strasser than to have a constructive programme (which, indeed, he is still seeking to this day).

The more the non-fascist parties disappear in a fascist state or become politically and socially insignificant (a process which in Italy took some years, in Germany only a few months) the more the fascist party merges into the state machinery. Fascism—that is, the fascist state—is thus the party dictatorship of a centralized nationalist and reactionary organization which has been carried to power by nationalist, reactionary mass social currents set in motion by the crises accompanying the decline of capitalism.

The establishment of the first fascist dictatorship in Italy proceeded haltingly, uncertainly and by trial and error. The German "national revolution" was able to push forward much more boldly, for it could borrow its political objectives and methods from the Italian model. Given the requisite conditions, the fascist advance will be carried out still more easily in a third country. As more fascist dictatorships arise, the tendency towards fascism in the rest of the capitalist world increases.

It would be an illusion to believe that such a fascist regime must soon collapse as a result of its inherent contradictions; as a result of the disappointment of the masses and their consequent will to freedom. On the contrary, the fascist state machinery concentrates in its hands not only the instruments of power, but

also all the propaganda resources, the press, art (if one can still speak of art under a fascist regime), science, public and private societies and associations of all kinds, economic and social associations, transport and the church. In short, all the organized and organizable manifestations of the entire political and mental life of the people are deliberately and ruthlessly pressed into service in order to maintain the position of power of the fascist party. And the watchword always is that the fascist party embodies the nation (in Germany particularly, "the nation of workers"). All this, furthermore, proceeds with practically no interference on the part of opposing groups or parties. An organized, unified political onslaught such as this on the mental life of the people cannot be without effect. Even in periods of severe crisis the growing dissatisfaction of the masses is diffused over the surface of the whole population, while the power of the fascist state is at once concentrated and ubiquitous. It can contend with the insubordination of single groups separately, as regards both time and locality. It can placate some with small concessions, others it can strike down, while it can play one group off against another. It can deflect anger or grievances from itself against certain elements in society. In short, it can "divide and rule."

If the masses were not in a position, under bourgeois democracy, when they enjoyed so much freedom, to win for themselves more freedom, but rather lost what freedom they had, under fascism they have even lost the old weapons of freedom of speech and the right of combination with which they might win back their freedom. The fall of fascism will not come about as the result of a spontaneous uprising of the working classes. It can happen only under certain conditions,

and even then must be consciously organized and planned by a force which has the same advantages as fascism itself—centralization and the ability to plan deliberately. This force must, in addition, know how to employ these advantages with a scientific understanding of the nature of society and with a sense of responsibility—a sense which the fascist reaction completely lacks—for the fate of the people.

(3) *The Proletariat and the Crises of Fascism*

Capitalism knows no other morality than that of "cash payment." It converts all useful things, activities, attributes, abilities, into commodities. Cotton, honor and conscience, cinema performances, and the capacity of human beings to perform purposeful work—are in its eyes all equally items of trade of measurable value, to be compared in marks and pfennigs, in shillings or dollars—in short, commodities.

The *sellers* of commodities, however, are not on an equal footing; a large group of them finds itself in a particularly difficult situation. All commodity-owners know the exact selling price of their wares. Within certain limits, they can refrain for some time from offering their wares, if the prices bid do not satisfy them. They can deal in other commodities if their former business does not yield a satisfactory profit. The sellers, however, of the most important commodity, upon which depends the welfare and existence of humanity, they alone, the workers, the sellers of their labor power, have not this choice. They must either sell the only commodity which they possess, their capacity to work, day after day, week after week, or they must starve. In free, pre-monopolistic capitalism, the value (that is, the average socially necessary labor time)

of all other commodities worked out as the average price, through the free interplay of the forces of supply and demand. As a result, however, of the particular "compulsion to sell" exerted upon the proletarians, the entrepreneur could have reduced the average price of human labor power (in so far as special temporary conditions did not exist) almost to starvation level, if the existing (or threatened) combination of the workers had not gradually erected a barrier against this tendency. The free unlimited right of combination was, even in the pre-war period of capitalist expansion, an essential condition for preventing the standard of living of the proletarian class from lagging too far behind general capitalist conditions. In the period of capitalist decline, the condemnation of millions to permanent unemployment intensifies the competition of the workers among themselves and the pressure upon those still employed. The resulting reduction of real wages, the smaller total income of the working class and the deterioration of working conditions permanently consolidate the tyranny of the employers. Under these conditions the limitation of the freedom of combination is bound to have the most disastrous results.

Certain limitations of the right of combination can be recorded in many capitalist countries. Fascism pursues this limitation to its logical conclusion in abolishing the right of the proletariat to free combination. It suppresses the political socialist mass organizations of the proletariat. To all intents and purposes it abolishes the trades unions as coalitions of workers.

We can properly speak of trades unions only in so far as the workers unite freely, under their own responsibility and in their own organizations, for the

protection of their social and economic interests. The fascist labor organizations have neither the character of free coalitions—that is, they afford no opportunity for the workers to come to a mutual understanding and mutual decisions concerning their own interests in meetings, by means of publications, etc.—nor are they under the control or influence of the workers themselves. Their officials are responsible to the fascist party alone. The workers have no other function but that of paying dues. Fascist "trades unions" actually consist only of officials appointed by the fascist state, and under them are the millions from whom a tax is forcibly extracted for the misrepresentation of their own interests. The absence of genuine trades unions in the fascist state is bound, in the period of capitalist decline, to have the most terrible consequences for the working classes. This is especially so since the interests of the employers (partially compelled to form associations) in the fascist "corporative state" are promoted and strengthened, and since the fascist state—resting on a capitalist foundation, thinking in capitalist terms—constantly identifies the interests of the "whole economy" or the "nation" with those of the entrepreneurs.

Fascist labor policy in times of prosperity consists in making the workers the smallest possible concessions without arousing too much dissatisfaction, and in times of depression in withdrawing as many of these concessions as possible. It is the task of the officials and leaders of the fascist "labor front" in the "corporative state" (or of the fascist Propaganda Ministry) to negotiate these conditions of work with the capitalists, whose demands steadily grow, and then to proclaim the results as being in the interests of the workers and

the nation. In addition, under fascism we find forced labor on a large scale, militarization and mass terror directed against the working classes. The masses are thus even worse off under fascism than under parliamentary government; in the fascist state they are still harder hit by the economic results of the crises than under democracy.

In addition to the centralization already mentioned, it is this possibility of extorting more from the proletariat that gives the fascist state greater stability in the period of capitalist decline than capitalist democracies. It is, therefore, scarcely probable that a fascist regime will voluntarily abdicate in favor of a bourgeois democracy.

Although all the social contradictions are reproduced under fascist capitalism exactly as they are under democratic capitalism (fascism merely abolishes them in the political sphere and only alters their outward forms), fascism will not collapse of itself. It will not fall, it must be overthrown. This will only happen when the fascist party, which is the central source of strength and the political basis for the existence of the fascist system, is destroyed. Only when the anti-fascists strike at the heart of this modern reaction will they win the fight.

Such a victory, however, can only be achieved at a particular moment and under certain conditions. Without a sufficiently hardened, resolute, experienced and well-tried anti-fascist organization, a successful struggle against the regime is impossible. Furthermore, such an organization can only be successful when the fascist regime, weakened by internal and external difficulties, presents a sufficiently vulnerable surface for attack, when the fascist party has been disorganized

and weakened by internal differences and factional quarrels, and when the masses have been stirred to anti-fascist action by a crisis of the fascist system.

In a fascist country such as Germany, where the proletariat constitutes a large majority, being nearly two-thirds of the population, these economic factors are of especial significance. It was clear in the first few weeks of the fascist reign of terror which way things were going. Increased prices had appreciably lowered real wages; the worker had to substitute jam even for margarine. Young workers were dragooned, under threat of starvation, into performing the military forced labor under the "voluntary" "labor service scheme." Adult unemployed, who have hitherto been kept alive on a miserable pittance, are now obliged to perform heavy compulsory labor without any appreciable increase in their dole. That is the fascist method of "creating work." Under fascism every fresh sharpening of the crisis must vastly intensify the suffering of the proletariat.

This aggravation of the misery of the workers, nevertheless, will not lead to a spontaneous uprising on their part. The destruction of their mass organizations has made it impossible for the workers to come together for united action. Their forces are completely scattered. The structure of the fascist dictatorship will only be shaken when a determined united socialist organization transforms the suppressed murmurings of the masses into the clear expression of their will to fight, and thus into a political factor in the bid for power which will find a response even in the proletarian strata of fascist organizations and associations. If the fascist regime, in addition, finds itself in difficulties in respect to foreign affairs, a serious crisis in the fascist system

may then ensue. Such crises are inevitable for the fascist system, as the consequences of the general decline of capitalism. Whether they are to be merely episodes in the general history of fascism, or whether they are to be used to bring about its destruction, depends upon the existence of a united anti-fascist socialist party and its skill, its strength, its leadership, and the clearness of its conceptions.

THE HISTORICAL PERSPECTIVES OF WORLD CAPITALISM

During the centuries of its more and more rapid development, capitalism has fulfilled its historic mission. It has seized upon a large number of nations and has converted them into active agents of its system; it has developed the world market and the world economic system and has transformed the face of the inhabited globe by means of the liberation of gigantic productive forces.

Long before it has drawn the greater part of the remainder of the population of the world within its pale, and converted them also into active capitalist nations, it has come up against its decisive historic limitations owing to the development of its inherent contradictions. It can only continue to exist as a reactionary system.

Capitalism has created, on an international scale, all the objective conditions for a transformation of social relationships and for the establishment of an international socialist society. The proletariat is, historically, the executor of this great mission. So long as the working class does not fulfill this mission, the epoch of capitalist decline will continue.

Of about 1,800 million inhabitants of the earth,

approximately 700 millions live under the rule of the capitalist nations.

About 950 millions still live under social conditions the structure of which is preponderantly pre-capitalist. Nearly 800 millions of this majority are concentrated in the south and south-east of Asia, where they form a vast compact complex with predominantly petty-bourgeois and feudal social relationships of a particularly Asiatic type. The economic and political existence and the power of the capitalist countries is based to a considerable extent upon the tribute levied by them on these pre-capitalist nations. Any success which these oppressed nations achieve in their struggle for freedom is bound to intensify the crisis in the capitalist countries (it has, indeed, reduced their working population to a state of chronic starvation), has still been unable to influence the social relationships of these vast petty-bourgeois feudal societies.

A further 150 millions inhabit the Soviet Union, where, as a result of particularly favorable historical circumstances, the proletariat has seized power. This proletarian state is waging an heroic and hard struggle against the social relationships inherited from capitalism and an individualistic economic system, a struggle which is rendered especially difficult by the lack of adequate Marxist qualifications on the part of the revolutionary party in power (inadequate theoretical basis, false directives for action, tendency towards bureaucracy, etc.) and by the failure, up to the present time, of the world proletariat to achieve revolution.

In all the capitalist countries of the world, capitalism has long since come up against the limitations of private ownership. The number of unemployed amounts already to more than 30 millions. The anarchy in

the development of the machinery of production and the economic chaos are increasing. In all countries the unscrupulous exploitation of the rest of society by monopoly capital is also growing. An unprecedented decadence of cultural standards, a coarsening of sensibilities and a degeneration of intellectual life have set in, and are the expressions of the historical character of the present crisis as a partial phenomenon of the general crisis in the capitalist system. An economic revival is perfectly possible; it would, however, merely bring about once more relative overproduction and thus still sharper crises. Should it last for any length of time it could only be to the advantage of one part of the world at the expense of the others. Even such a partial boom would merely be a prelude to a new and still more severe crisis.

Above all, national frontiers conflict to an increasing extent with the productive forces which have been developed into a world economic system. Although the war was a gigantic explosion of these vastly increased and liberated forces striving to break through their national barriers, it did not mitigate the contradictions inherent in world capitalism, but rather sharpened and intensified them. Imperialist antagonisms — and armaments—are continually increasing. World capitalism is more and more rapidly moving towards a new, bloody world crisis. The political and social crisis in the capitalist countries are themselves becoming the driving forces of this development, which finds its expression in a wave of nationalist reaction, and its form in a fascist movement. The disintegration of the world economic system into a number of individual nations waging economic war upon one another, is accompanied politically by a tendency

towards fascism and the increase of tensions leading to war.

What is to be the fate of a world more and more composed of fascist states? These states strive continually towards economic nationalism and towards the development of their own backward industries. Thus they disorganize to an increasing extent the world economic system with its network of international relationships, and destroy world trade. The growth of the world economic system, however, and the strengthening of its internal relationships have provided the foundations for the rise of the capitalist countries in the last few hundred years, the rapid growth of their population, and their increased material and spiritual wealth. The destruction of the world economic system, therefore, implies the destruction of the essential basis of existence of the capitalist nations. They are thus condemned to wage a greatly intensified war of competition, and to decimation. Those nations which are, as regards their internal structure, democratic, endeavor, at least outwardly, to appear pacific. Fascist states, on the other hand, are aggressively nationalistic. They have a burning desire to disturb the equilibrium of the world and impel it towards fascism, and in their efforts to do so they known no restraint. The arming and militarization of the nation are for them by no means ends in themselves, but the basis of all their deliberations. In Germany even the rise in the price of margarine was justified with arguments in regard to national defence. The more countries become fascist, the more violent will be their mutual antagonisms, the faster will they arm against each other, and the more will the countries that are still democratic be driven towards fascism

and a policy of war. These forces not only bring the next war nearer, but they promise enormously to increase its frightfulness and destruction, since the fascist countries have a greater strength, material and moral, to draw upon than the democratic countries. We are thus forced to the conclusion that fascism offers no way out of the chaos, and represents no new element of order and advance, but is rather a product of the period of decline of world capitalism and must itself contribute to the acceleration of that decline. And those nations which go into the next war as democracies will inevitably become fascist in the terrible social and political crises which will ensue.

If the Germans fail to overthrow fascism, then sooner or later fascism will also overrun the rest of the capitalist countries, large and small, and, however deeply rooted democratic liberties may appear to be today, they too will be shattered. The capitalist world will more and more be composed of ultra-nationalist, fascist states, which will, to a greater extent than ever before, make military alliances the fulcrum of their policies. They will, thereby, whether voluntarily or involuntarily, bring about calamities beside which the late war will pale into insignificance. Capitalist civilization will then devour itself in destructive economic crises and ruthless wars, and thus capitalist society will be bound to sink under the weight of its own contradictions, just as, 2,000 years ago, the flourishing culture of the Roman world collapsed owing to the limitations of an economic system based on slavery. During all this time there will still be concentrated in the south-east of Asia the backward population of 800 millions who, although not yet capitalist, are already suffering terribly from the capitalist contradictions. And just as the Northern-

European barbarians 2,000 years ago poured down upon Rome, it may be that these millions will overrun the old capitalist world and plunge humanity anew into the darkness of the Middle Ages.

CHAPTER II

THE SOCIALIST WAY OUT

MARXISM AND SOCIALISM

Such a decline of capitalist civilization into barbarism would be not only possible, but even inevitable, had not Marxism, three generations ago, comprehended with astonishing boldness and scientific clarity the historical situation of capitalism and thus provided mankind with an opportunity of carving out a path upwards out of the decline and chaos of the present. Karl Marx (and Friedrich Engels) developed from the philosophical systems of their time a new methodology, a new mode of thought, which rendered possible a *scientific* conception of the social phenomena which had hitherto been veiled in superstition. From a scientific Marxist investigation of the nature of capitalist society Marx not only derived a knowledge of its contradictory structure (which is bound to lead to its destruction), but also discovered the preliminary conditions, the framework and the elements of a newer and higher social order—of socialism. He realized that the road thither led by way of the revolutionary transformation of society and that the proletariat alone could be the active social agent of this transformation. From this knowledge he deduced the necessity for the organization of the proletariat on a class basis, and for this he and Engels strove throughout their lives.

The sum total of all these methods, this knowledge and understanding, and the practice based on this knowledge, constitutes what we understand by Marxism. Marxism alone is the key to the socialist transformation of the world. *The socialism that is to*

come will be nothing if not Marxist. The German fascists taunt the socialists with the alleged failure of their Marxism, while the spectacle of the defeat of the socialist proletariat in Italy and Germany is even beginning to produce, among some groups within the socialist parties, a certain degree of indifference towards Marxism.

There could be no more fatal development for the workers of the world. It is not the Marxism of the socialist parties that has failed; it is, rather, the socialist parties that have failed because they have not been Marxist enough. The more firmly the socialist parties base their theory and practice on Marxism, the more easily, the more rapidly and the more certainly will they accomplish the great tasks which history has laid on them.

The first task is to formulate clearly the objectives of the Socialist Party. Without adequately established conceptions of socialism and the way to achieve it, every movement within the socialist organizations will be wrecked by its inherent aimlessness, as the fate of German Social Democracy has so clearly demonstrated.

Scientific socialism, that is, the scientific (in contradistinction to the speculative) derivation of the structure and workings of socialist society from the anatomy of capitalist society, was worked out by Marx and Engels to the extent permitted by the development of capitalism in their time. Their basic ideas were coherently set out by Engels in *Anti-Duhring*. Scientific socialism is today, as it was then, the guiding principle of the socialist struggle for freedom and of socialist construction. Its constant revision in the light of changing historical and economic conditions is the intellectual task of Marxist socialism.

THE PROLETARIAN CLASS STRUGGLE

(1) *The Decline of Capitalism and the Proletarian Class Struggle*

Capitalism has encountered its decisive historical limitations. Just as, in the period of its expansion, the welfare of the masses lagged further and further behind the development of productive forces, so, in its present period of decline, it can only maintain its supremacy by forcing the standard of living of the working class down and down and by exposing millions to starvation. This means, however, that successful resistance on the part of the working class, not to speak of the achievement of any improvement in its social conditions by a struggle against this tendency to pauperize it, is in the long run incompatible with the maintenance of the capitalist system.

With the present falling rate of profit (and, during a slump, of the total amount of profits) a struggle on the part of the masses to secure and improve their material conditions can be successful only if the masses have a considerable degree of freedom to combine in fighting formation on a very wide front. A struggle, therefore, must be carried on in all countries for the extension of the right of the working class to combine. But particularly in the fascist countries is a successful campaign for the restoration to the wage-earners of an unrestricted right to combine a primary condition of the beginning of the real socialist fight for freedom.

Where there is adequate freedom of association for the proletariat, a struggle, combined with efficient trades union and political tactics, must be carried on in all circumstances for the amelioration of working conditions. Generally speaking, the workers should

endeavor, when confronting the employers in negotiations and disputes, to show as broad a front as possible, and to make their demands as high as the breadth of their own front, their fighting strength and the power of their capitalist opponents permit.

(2) *Revolution, Fascist or Socialist?*

Should the forces of labor achieve any really important successes over a considerable period, a crisis must inevitably occur within the capitalist system. For a declining capitalism cannot provide adequate means of subsistence for both the exploiters *and* their slaves. A party which seriously desires socialism must not be daunted by these consequences of its social struggle, but must, on the contrary, regardless of the employers' interest in their profits, fight ruthlessly for the raising of the standard of living of the working masses and for the increase of their influence in the state and in the factory. Such a party must also pay attention to the winning over of the middle classes, the petty-bourgeoisie, the small peasants, the independent artisans and all the other elements of the lower middle class in town or country. If the capitalist state is, as a consequence, involved in a severe crisis, then the political situation will be the exact opposite of the crisis which led to the rise of fascism. In the fascist crisis of democracy the proletariat had been forced into a defensive position, and was isolated, divided, weak and discouraged. The anti-proletarian (fascist) forces were, on the other hand, concentrated, on the advance, confident of victory, and the middle classes formed the nucleus of their fighting forces. In a crisis, however, of capitalist democracy arising from the advance of the proletariat, the working-class ranks

are closed; the working class is on the offensive, and is boldly pressing forward, filled with hope and the will to power. The enemies of the proletariat are, on the contrary, split into capitalist groups, which wrestle for all that is left of their dwindling surplus values.

They are disorganized and discouraged. A socialist party which earnestly desires socialism should not check its onward march for fear of such a crisis in the state, which may arise from its own victorious advance. On the contrary, it should bear in mind the fact that only in such a profound and serious crisis of the prevailing order of society is it possible to found a socialist state, and thus to lay the foundation-stone of the edifice of socialism.

(3) *The Socialist State*

The setting up of a socialist state means that the socialist party must concentrate the whole power of the state exclusively in its own hands. It must use this absolute power to thwart all counter-revolutionary attempts at mobilization, to secure the political existence of the socialist state from within and without, and to pursue an economic policy the object of which shall be progressively to raise the standard of living of the masses and to carry out socialist construction.

Such exercise of power by a socialist party on a centralized, socialist basis is the *primary condition of the construction of socialism.* Forcible interference in poltical, economic and juridical affairs, without which the socialist transformation of the whole economic system is inconceivable, would, under a bourgeois democratic constitution, be wrecked at the outset by the sabotage of the combined forces of the employing classes. Such remnants of bourgeois ideology as still lingered in

the minds of the population would be used by the bourgeois reactionary elements, taking advantage of the initial difficulties of the socialist state, for counter-revolutionary action; they would thus drive out the socialist party, unless the entire activity and propaganda of the socialist party were concentrated upon the preservation of its power. The history of the German November revolution, which began as a democratic republic based on workers' councils, which passed into a phase of parliamentary democracy, only to end, after a decade and a half, in fascism, is a refutation of the earlier conception of the possibility of "democratic socialism." For a socialist party to renounce the setting up of a socialist state is equivalent to its renunciation of socialism.

(4) *The Democracy of the Workers*

The fascist state makes its appeal to the petty-bourgeois, nationalist instincts of the masses, which are born of capitalism, and comes to power only with the *help of the bourgeoisie,* either open or disguised, and with the support of the decisive elements of the bourgeoisie. In Italy and Germany it was not in the phase of struggle but of victory that large numbers of workers were won over to fascism. The socialist party, on the other hand, can only come to power *against* the will of the bourgeoisie and of the incurably reactionary sections of the petty-bourgeoisie.

Since, therefore, the bourgeois ideas and illusions still retained by the masses work against the socialist party (whereas in the case of the fascist revolution they further the fascist party and its assumption of power), it can achieve power and keep it only in so far as and so long as the decisive elements of the proletariat are

its active partisans and the rest of the workers give it a considerable measure of support; that is, so long as the overwhelming majority of the working class is on its side. The socialist party can permanently retain these sympathies only if the socialist state which it upholds gives full consideration to the material interests of that section of the population to whom it owes its existence, and if it seriously endeavors to work for the construction of socialism. The socialist state, therefore, despite its centralized form as a party state, constitutes the true democracy of the workers, and thus provides a contrast to bourgeois democracy and to fascism, which are dictatorships of capitalism over the proletariat, disguised in the former as democracy and in the latter as a party state.

(5) *The Historical End of Bourgeois Democracy*

Bourgeois democracy, and its apotheosis, the bourgeois democratic republic, is the form of government towards which the political development of a nation tends with greater or less intensity during the period of capitalist expansion. During the decline of capitalism the social contradictions are too great to be confined within the framework of this free, self-regulating form of government. In the course of a lengthy historical epoch it is shattered in nation after nation by the cumulative pressure of social forces in favor of a centralized party state. And only in the form of a centralized party state will the state, in the more distant future of our era, be able to exist for any length of time. Even if democratic political conditions were to be created anew as a result of the collapse of capitalism, the same social and political causes which originally led to fascism in that country would, in course

of time, bring about another open crisis; so that eventually the tendency towards fascism would once more gain the upper hand, unless the socialist party were to divert the course of this development by its own efficiency and determination, and thus prepare the way for the setting up of a socialist state. The transformation of the machinery of government of the capitalist states into that of a centralized party state is, in the long run, inevitable. Whether these "party states" are to be fascist or socialist, whether their historical development is to be reactionary or progressive, that is a decision, the responsibility for which rests with the socialist parties throughout the world.

THE CONSTRUCTION OF SOCIALISM

(1) *The Taking Over of the Principal Industries by the State*

The first act of the socialist state must be to secure its own existence against attack from within or without. From without, by guaranteeing peaceful relations with neighboring countries, and, so far as circumstances permit, by securing its frontiers; from within, by keeping all counter-revolutionary forces in check, by once more setting in motion such of the wheels of industry and trade as may have been brought to a standstill by the transitional crisis, by stabilizing the currency and by seizing all the social and economic strategic positions. That is, it must take over all the large-scale industrial enterprises which are politically or economically of social importance, in so far as they are not already state-owned. Above all, it must take over the principal transport undertakings, the postal services, the railways and air transport, together with the key sections

of the power, heavy and armament industries, e.g., the mines, electricity works, big chemical industries, the foundries, and certain branches of the machine industry, etc.; further, the large landed estates, the banks, municipal services, etc. (whereas in the remaining branches of industry and trade, private capital will at first be retained). Such state ownership, or "nationalization" is by no means synonymous with "socialization," that is, with the creation of socialism, even though it is carried out by a socialist state. Capitalism and socialism are *social orders;* they characterize the social relationships into which human beings enter for the production of the necessities of life and their distribution among the members of society. The nationalization of the essential means of production represents merely a piece of legislation which, although it may actually be an indispensable preliminary condition of the construction of socialism, does not alter the essential social relations of the producers and consumers. Wage-labor and the marketing of goods will at first continue to be a feature of the social order.

As soon, however, as the socialist state has consolidated its industry and trade and its foreign relations, as soon as it has reduced its opponents at home to impotence, and has seized the key positions in social and economic affairs, as soon as the masses are ranged in support of the socialist government and of the socialist party in power, and as soon as the state has a sufficiently clear conception of the socialist economy and the path leading to it, and at the same time the determination to pursue this path to the end—only then will the essential preliminary conditions for the construction of socialism exist.

(2) *The Need for a Clear Formulation of Socialist Objectives*

Marx and Engels, as *scientific* socialists, derived their conceptions of socialism from the capitalist conditions *of their time;* they could thus only give fairly general indications as to the economic structure of socialist society and the way to achieve it. Since then, technical and economic development has made enormous progress, bringing with it fairly profound changes in capitalist forms of organization. Electrical engineering and trusts, monopolies, and the travelling belt are features of the most recent capitalist progress. Today it is possible to obtain clear and concrete conceptions of socialist construction and socialist economy from actual capitalist conditions; particularly if we know how to draw Marxist lessons from the gigantic social experiments of the Soviet Union.

The problems of the transition from capitalism to socialism and the theoretical elaboration of the nature of socialist society are always questions of immediate importance for a proletarian revolutionary party. It will not be able to muster the sacrificial fervor and the power which the working-class revolutionary struggle demands, it will have no standards for a revolutionary critique of capitalism, it will not be able to proceed from the seizure of power to the construction of socialism, unless it carries in its consciousness a vision, based on scientific principles, of the future socialist socety.

The most recent developments of history have forced these problems into the foreground in another way. The "reformist," "watered-down" versions of socialism describe a number of (to some extent reactionary)

phenomena of imperialist capitalism (e.g. cartels, trusts, state capitalism, etc.) and a number of forms of class activity in certain capitalist countries (e.g. works' councils, collective bargaining, consumers' co-operatives, labor banks, etc.) as socialism. Furthermore, the existence and development of the Soviet Union challenge the workers of the world and their socialist organizations to face the task of working out the socialist order of society. Finally, the social crisis, which fosters anti-capitalist tendencies, demands of the socialist party a lucid, clearly-defined conception of scientific socialism in order that it may oppose to all anti-capitalist, but non-socialist, movements in society (e.g., national socialist) a socialist objective on a scientifically defensible basis. (Even the fascist regime in Germany calls itself national *socialist*). The fact that the problem of socialism has already become in so many ways one of immediate interest is a proof that the present era is historically ripe for the proletarian revolution.

To neglect the clear formulation of socialist aims would be either to abandon the socialist objectives or to be submerged in the chaos of utopian experiments of the kind which are to be seen in the economics of the Five-Year Plan in the Soviet Union. If the socialist parties are unable to oppose to the reactionary political plans of action of the fascist organizations a conception, firmly based on scientific principles and clearly comprehensible, of the socialist future, then the fate of the socialist labor movement will be sealed.

(3) *The Actual Construction of Socialism*

As soon as the decisive political and economic preliminary conditions for the construction of socialism

are in existence in a given country, the socialist state must first resolve the most glaring of the contradictions in the capitalist economy which it has taken over. These are principally a result of the fact that the production of consumption goods, particularly in agriculture, lags behind that of production goods. It is therefore of primary importance, in the process of accumulation of social capital, to promote the establishment of industries producing consumption goods rather than of those producing production goods, and in particular to hasten the development of agriculture, in order to permit of a rising standard of living for the masses. Any excessive fostering of the predominance of industries manufacturing production goods—beyond the point which it has reached under capitalism (as we have seen in the Soviet Union)—is bound to cause a lowering of the standard of living of the masses. If, nevertheless, a socialist state does make its capital investments on these lines, it must realize that it is not engaged in socialist construction, but (at least at first) is moving in the opposite direction. This may even in many cases (e.g. for purposes of defence) be necessary. But then the socialist state must realize that it is deviating from the line of socialist construction and must endeavor to get through this stage as quickly as possible, in order to lay the real foundation stone of socialist construction by proceeding to the encouragement of the consumption industries. Socialist construction is possible only when the well-being of the masses is on the increase. Indeed, their welfare in a socialist state is actually a measure of the progress of socialist construction.

The direct result of the policy of construction of the socialist state will be that, in the various branches of

industry and trade, state concerns will be established side by side with the private capitalist undertakings inherited from the past and will compete with them. Competition of this kind is not only inevitable, it is actually indispensable for socialist progress; for only in this way can a check be kept on the productivity of state enterprises; and only in this way will the initiative of the private entrepreneurs set the pace in ensuring economy of labor in the state concerns. The socialist state, therefore, will have no interest in strangling, by excessive taxation, the private undertakings still in existence. Not until the private undertakings have been surpassed with regard to productivity by the state undertakings, and not until the latter have discovered how to produce more cheaply and yet to be equally sound paying propositions, will the rest of private industry and trade be practicably superseded to the advantage of socialist progress.

As is proved by the example of the Soviet Union in its N.E.P.[1] period, there will be a considerable number of people among the intellectual workers and former employers who will have so strong a feeling of public duty and responsibility that they will, as members of a socialist commonwealth in the making, become socialist officials of the state and will manage the state enterprises on sound economic lines and with a sense of responsibility. As to the rest of the managers of state enterprises who still bear traces of petty-bourgeois preoccupation with profits, a method of profit-sharing will spur them on sufficiently to work for progress, until they have learned to regard themselves as members of the emerging socialist society.

[1] New Economic Policy

The state economic organizations must constantly study how to increase the productivity of their undertakings beyond that of the private undertakings; and they must repeatedly make use of an adequate proportion of the economies so achieved to increase or cheapen the production, in particular, of consumption goods. The further this process is carried, the more will private undertakings disappear from trade and become incorporated in the economic organization of the state. As part of this process, the urban and rural small-scale producers (peasants, artisans, etc.) who form the overwhelming majority of the independent economic units, will also gradually be absorbed into the public organization of production, whether they enter the appropriate state concerns in their own interest, or whether they combine to form large-scale undertakings on the co-operative model, which will finally also be transformed into state undertakings.

The social policy of the socialist state will have as its supreme object the increase of the welfare of the people. A part of the social savings must be employed for progressive improvements in the social services, for the extension of health insurance, for old age pensions, for the care of children and adolescents, and for the cultural advancement of the workers. Wages must be raised, hours of work reduced, and holidays lengthened. At the same time the increase in consumption goods and technical progress will permit of a lowering of the price level of articles of consumption. This will result in a progressive rise in the standard of living of the working class, which will eventually reach the point at which a gradual transition to socialist forms of economic organization will become possible. For the socialist method of production for use can be put into

operation only when, and to the extent that, the production of society exceeds its real demands.

If, for example, while *real wages were rising*, the consumption of bread per head ceased to rise (and, possibly, there were even difficulty in disposing of the amount produced) this would be an indication of the fact that the production of bread by society was supplying the demand. Then and then only would the time have come to take over this article into socialist production and distribution to "socialize" it, for one cannot "socialize" industrial undertakings; they can only be made state property, be "nationalized." "Socialization" can only be applied to consumption goods, which are thus transmuted from "commodities" into articles of consumption. It is possible to "socialize" bread, milk, clothing, housing, attendance at cinemas, university education, summer holidays, but not the General Electric Company, Krupp's, the Putilov works or Schneider-Creusot. It will be possible to carry out the "socialization of bread" only if, from a given date, bread is supplied free of charge in the desired quantity to the consumers by distributing centers, while, at the same time, the undertakings deduct from all wages an amount covering the average consumption of bread per worker and pay this over to the state, which will use it to pay the distributing centers for the bread supplied. Gradually, as productivity and actual production increase, other articles of consumption and other services will become "ripe for socialization" and be absorbed into the socialist organization of production for use in the same manner. Many will have already been organized on this economic basis (e. g. the education of children and the use of the roads, which are similarly organized even under cap-

italism). Finally, it will be possible to supply all the demands of the members of society, as consumers, from the common stock, free, without the medium of money, and in the desired quantity, while on the other hand, the members of society, as producers, will cease to receive wages. If, therefore, the total amount of wages due to their workers is handed on by industrial establishments to the state, instead of being paid out to the workers, this "social wage-fund" will provide society with the readily calculable means of balancing the total of consumption goods issued by the distributing centers.

(4) *The Socialist Society*

The socialist society thus brought into existence will lack those essential contradictions of the capitalist system which were the cause of its collapse. The centers of production will no longer be disconnected units of capital, carried on only in obedience to their former owners' interest in profits. It will now be possible, indeed, for the socialist state, as a result of the state ownership of all the means of production, to encourage, by a suitable credit policy, by the control of capital, and by the taxation of profits, those branches of industry and trade which should develop particularly rapidly within the general plan of *social* production, and to check the growth of other branches. The goal of production will no longer be determined by the individual capitalist's interest in profits, but production will, rather, be directed towards the increasing satisfaction of growing social needs. Above all, however, money will no longer form an impassable barrier between the needs of the members of society and production. With the removal of this barrier, with the *abolition of wage-*

labor, the root-cause of all the crises in modern production arising from the lack of balance between supply and demand will disappear. But we are today perfectly well aware of the fact that in all other essential respects socialist society cannot dispense with the great economic achievements of the capitalist era, and that they must, indeed, also form an essential feature of the socialist economy.

Social production, which replaces individual small-scale production, and also forms the basis both of modern capitalism and of socialism, depends on the scope it affords for the utilization of the creative initiative of human beings in an organized manner, (i.e. on a higher level). The expression of this social effort is the factory, with its hierarchical structure of human beings endowed with initiative. The independent manager of a large concern can only carry out his work successfully if he combines expert ability, suitability of temperament and a creative mind with an outstanding personality. The part played by personality under socialism will not be smaller, but far greater, than under the profit-earning system of capitalism, the only difference being that men of personality will not work one against the other as they do today, but will cooperate.

The only means of drawing an exact, a mathematical and an objective comparison between the efficiency of labor and the productivity of individual undertakings, including that of the distribution centers, and of urging them to go forward in a spirit of healthy competition, is to compare their capacity to pay for themselves under identical conditions. The only measure of this capacity is, however, human labor (value). This can only find its expression in prices and be measured in terms of

money. Prices, "just prices," that is, prices which fluctuate about value, and which are, therefore, not monopoly prices, can only be fixed in a free market, in the free interplay of supply and demand. Socialist economy cannot dispense with either competition or the market, with either money or the initiative of the leaders of industry; under socialism it will be just as incumbent upon enterprises to draw up balance-sheets as under capitalism. The negation, in practice, of this necessity in the U.S.S..R originated from utopian conceptions of socialism and threatens to lead to catastrophe.

Socialist society is by no means a society of material and spiritual uniformity. On the contrary, all the varied, reasonable, individual requirements of the members of society, who have been psychologically transformed by the socialist revolution, can be fully satisfied. And this perfect material existence is the basis on which all the varied abilities of individuals can develop freely and fully. Thus the highest collective organization of society is at the same time the basis of the fullest individual liberty.

BOURGEOIS AND PROLETARIAN REVOLUTION

(1) *Bourgeois Revolution*

The creative historical work of Karl Marx and the interpretation of his ideas by Friedrich Engels are the foundation upon which our basic conceptions rest. But that should not prevent us from working out all their conceptions critically; for Marxism is a critical, not a dogmatic, body of ideas. Marx and Engels created their conceptions from the spirit of *their* age, the age of the great bourgeois revolutionary struggles on the European continent. We have to accomplish our task in the

period of capitalist decline, the period of fascism and imperialist wars and the early stages of colonial revolution. And from the critical study of the historical material of *our* age, we necessarily arrive, with regard to certain isolated questions, at results differing from those obtained by Marx and Engels more than half a century ago.

A bourgeois revolution is a political revolution. It represents an adaptation of the political and juridical super-structure of society to altered social and economic relationships. In the middle ages there originally grew up above the social foundation of peasant and artisan small-scale producers, a state superstructure which accorded with the interests of the feudal nobility and culminated, as a rule, in an absolute monarchy. But within this social order there came into being, as a result of commercial and financial capital, a network of bourgeois capitalist legal and social relationships, which finally also involved production and transformed it into a social process. There thus grew up, spontaneously and naturally, within the organism of the feudal state, an entirely new and specific form of society, bourgeois society, which more and more completely took possession of the old social organism. This new form of society had its own corresponding spiritual superstructure, its own bourgeois culture, its own consciousness of power, its own modes of thought—a bourgeois ideological superstructure of the new bourgeois society which grew up within the womb of the old feudal society. The more the bourgeois form of society became, in the natural course of development, economically predominant, the more did these spiritual tendencies prepare the way for, and assist, bourgeois revolutionary development.

Finally, the contradiction between the social and

economic predominance achieved by bourgeois society and the inherited feudal, absolutist political superstructure became so strong that a long process of revolutionary transformations and revolutionary upheavals destroyed this old, feudal, absolutist superstructure and replaced it by a new bourgeois democratic form, which accorded with the economic and social structure of rising capitalism. When the bourgeois economic organization had become sufficiently strong in a given country, the "internal peace" of the feudal state was finally disturbed.

A further development of society was subsequently possible only as a result of the destruction or the undermining by bourgeois society of the inherited feudal, absolutist class domination.

This process occurred in three ways:—

(*a*) Absolutist concessions to bourgeois development, "Revolution from above." (Examples: bourgeois reforms in Prussia, 1810-12; establishment of the German Empire, 1871.)

(*b*) Bourgeois undermining of the feudal or absolutist state. (Examples: Monarchy in England after the bourgeois revolution; bourgeois transformation of Prussian absolutism after 1850.)

(*c*) Conquest by force of absolutist machinery of government. (Examples: France, 1789-93; Russia, February, 1917, Germany, 1918.)

These three forms occur in almost all bourgeois revolutions; they appear successively, and one form often determines the other. The specific gravity of the various forms is, however, different at different times and in different countries, according to the historical conditions and circumstances.

Whereas in the mind of the public only the third

form, the "eruptive," is regarded as a bourgeois revolution, from the Marxist standpoint, and from the perspective of the present day the whole era of the decay and break-up of the feudal absolutist class domination must be regarded as bourgeois revolution, as a historical process, which has usually lasted for generations. Thus the bourgeois revolution in Germany started as early as the beginning of the nineteenth century with the bourgeois revolutionary reforms of Stein and Hardenberg and the wars of liberation of 1813-14, and reached their effectual conclusion in the revolution of November 9, 1918, and the subsequent revolutionary crises which ended with the stabilization of 1924.

The bourgeois revolution was, it is true, carried out with the consent of those who accepted revolutionary development; but those individuals by whose volition events moved in this direction were driven and guided by the economic principles and relationships of capitalist society (developing outside the range of their consciousness) and their increasing incompatibility with the ruling feudal political organizations. The bourgeois revolution "came about," it "occurred of itself," it "accomplished itself." To the people it was a social necessity of which they were unaware; the revolutionary masses were merely the instruments, endowed with individual consciousness, of laws unknown to them. In general terms the bourgeois revolution was a *natural* social process (*Naturprozess*) like all other previous events in human history. It is only when one examines the trivial details of its course that personalities, chance events, ideas, etc., play any great part (e.g., Marat, Napoleon, Cromwell, Bismarck, humanitarian ideas).

(2) *The Proletariat in the Bourgeois Revolution*

Bourgeois society (not one of its classes) revolted, in the bourgeois revolution, against the absolutist state; though often enough it was actually the workers who were the decisive vanguard in the struggle for bourgeois liberty. This led to the illusion, on the part of many people, of regarding the proletariat as a revolutionary force in itself, and thinking that, by reason of its class position, it would be driven into clearer and clearer revolutionary modes of thought and action. This illusion was still further strengthened by various occurrences which for several decades accompanied the process of bourgeois revolutionary development.

In the bourgeois revolutions of many countries, a characteristic movement on the part of the lowest classes of the population within bourgeois society (wage-earning artisans, impoverished petty-bourgeois, industrials, etc.) is discernible. These classes not only prove to be the most active section of the bourgeois revolutionary forces, but their active revolutionary spirit even makes its appearance in a specifically proletarian guise, whether their struggles take the form of proletarian class struggles (e.g., spontaneous mass strikes in Russia 1905-6) or whether they participate in the revolution with an (apparently) communist objective (e.g., the Levellers, "Diggers," the "communist" conspiracy of Baboeuf, French Revolution, German "artisans'" communism of 1830-50, Veitling, etc.). All these expressions of militancy appear to be the first, as yet imperfect, expressions of a spontaneous proletarian revolutionary movement.

Appearances are, nevertheless, deceptive, for these expressions of militancy are, in reality, only special

manifestations of the bourgeois revolutionary process. The specific character of the movement arises, in fact, from the combination of two factors: on the one hand the bourgeois revolutionary driving forces in society which set these social classes, as the most oppressed and wretched sections of bourgeois society, in revolutionary motion; on the other hand the social status of the proletariat, which lends such a movement a proletarian or (apparently) communist hue. To the extent that a nation approaches its bourgeois revolutionary objectives, and the driving forces of that revolution accordingly decline, such a spontaneous (that is, uninfluenced by Marxism) "proletarian revolutionary" movement must subside, and the revolutionary activities of the workers, which bear the stamp of the proletarian class struggle, must either cease or be converted into a mere trades union movement (e.g., the decline of English revolutionary chartism and its development into trades unionism).

Bourgeois capitalist development makes the members of society increasingly aware of the chains of feudalism and absolutism, but at the same time blinds the eyes of society as to its nature. For this reason the great strikes of artisans and laborers during the bourgeois revolutions, whether in France in 1789 or Russia in 1905, were directed against the capitalists and not against capitalism, and were ultimately effective only against absolutism.

This understanding of the *bourgeois* revolutionary origin of the spontaneous militant activity of the proletariat in past historical epochs is of the utmost importance at the present moment. Its lesson is that in the democratic countries it does not reach the stage of socialist revolution without the intervention of the

socialist party in its decisive role as an organizer of political action.

This historically entirely erroneous estimate of proletarian spontaneity is also one of the real causes of the absurd "splitting" policy of the Comintern. In the meantime history itself has pronounced its verdict on this theory of spontaneous proletarian revolution, a theory which, in the time of Marx and Engels, was still comprehensible, but which nowadays, particularly after the experiences of the past ten years, must be described as the result of ignorance.

In all countries capitalist contradictions have been accentuated to a degree hitherto unimaginable, whereas spontaneous revolutionary action by the proletariat has all but ceased. Only in bourgeois revolution is the whole of the newly-constituted society set in motion by powerful social driving forces towards a political objective: the overthrow of absolutism, bourgeois democracy, and a bourgeois republic.

(3) *The Socialist Revolution*

In the case of a socialist revolution, all the circumstances are completely different, almost the exact opposite. Within the womb of capitalist society no new socialist order of society, which has only to cast off the former political superstructure foreign to its nature, can grow up to a position of dominance. Bourgeois society, even should it be strangled by its own inherent contradictions, and however many elements, preliminary conditions and requirements it develops for its socialist transformation, still remains bourgeois society, and the *bourgeois idealogical superstructure corresponding to it*, which in its time paved the way for the bourgeois revolutionary transformation, now acts as

a terrible brake on social development. Hence the difficulty of forming any conceptions of the ultimate socialist objective, hence the tendency of the socialist organizations to become bourgeois (as we shall show later), and hence, finally, the tendency of the masses towards a fascist (instead of a socialist) "solution" of the social crisis of the period of decline.

The socialist revolution is not carried out by a newly-constituted socialist society; its active social agent is, rather, a section of the old society still in existence—the *proletariat*. Bourgeois revolution was a revolution of bourgeois society against the absolutist state. Socialist revolution, on the other hand, is in its first phase the uprising of a class, of the proletariat, for the establishment, in the first instance, of a socialist state. It is thus at first a *proletarian revolution.*

The socialist revolution is preceded by and introduced by the proletarian revolution, the revolutionary uprising of the proletariat. Only in the process of advanced socialist construction do the exploited disappear with private capital and the exploiters; and the proletariat with the system of wage-labor. Thus the socialist state, which is still supported by the class power of the proletariat, is transformed into a socialist society in which classes are unknown. The "abolition" of classes can, therefore, never be the work of decrees, as the fascists suppose, or of newspaper leaders and theses, as the Bolsheviks suppose, but can only be the result of a social and economic revolution, at the final stage of which the socialist society emerges. The proletarian revolution is thus only a part of the socialist revolution. It is a political revolution which creates a new form of states as the basis for the transformation of society, the construction of

socialism. The bourgeois revolution constitutes, then, a political revolution which forms the final stage of a long and profound social transformation; the proletarian revolution is a political transformation (creation of the socialist state) which is the introductory stage in a profound (relatively quick and consciously planned) social transformation (i.e. the construction of socialism).

In the case of a proletarian revolution, the organization of the socialist revolutionaries, acting in full awareness of the forces of history, is the point of departure for the preliminary condition of the revolution. In the case of bourgeois revolutions, the revolutionary parties engaged in the struggle are, at the most, parties which represent the *result* of revolutionary development and which are quite unaware of their historic function in the whole process of the revolution.

The bourgeois revolution creates, in the course of its progress, its own forms of organization. The proletarian revolution, even if the objective conditions of social development are ripe for it, will be suppressed, unless and until the proletariat has found its organized historical consciousness in an organized union of Marxist revolutionaries, in a Marxist class organization.

Bourgeois revolution has in all countries a *national* objective. The proletarian revolution has, it is true, a national starting-point conditioned by its inherited historical circumstances, but its objective is *international.*

Bourgeois revolution is, in the last analysis, a natural, social, historically-determined process. The proletarian revolution, on the other hand, is an historical alternative, the decision with regard to which is dependent in the last resort upon the historical creative power of the most advanced sections of society, the historically

conscious minds of the working class. Thus, while bourgeois revolution represents only a blind natural social process, proletarian revolution is the conscious shaping of history towards a clearly recognized aim, the consciously-willed moulding of historical forces, and therefore, like all conscious, purposeful and organized activity on the part of human beings, a *purposive social process* (*Kulturprozess*).

The basis of all these fundamental differences between bourgeois and proletarian revolution is as follows:

(*a*) *Bourgeois* revolution is the political *result* of an economic, social (and hence) ideological, natural, unconscious and, in the last resort, inevitable, process of transmutation and differentiation of society, lasting for centuries. *Proletarian* revolution, on the other hand, is the political point of departure of a conscious, economic, social, and thus also ideological, transformation of society.

(*b*) *Bourgeois* revolution is merely the adaptation of the political organization of society to its economic and social structure, which has been formed unconsciously and inevitably. *Proletarian* revolution, on the other hand, is the creation of a new political organization of society, which, only *after* its creation, is used consciously as a means of transforming the economic and social structure and (as a consequence thereof) the ideology of society.

(*c*) *Bourgeois* revolution is completed by the new society, after its formation, in opposition to the survivors of the old society and their dominance, which has already been undermined, both economically and ideologically, in the inevitable course of

events by the new society. *Proletarian* revolution, on the contrary, is carried out by a section of the old society in opposition to the other section under the complete economic (and to a large extent also, ideological) domination of the old social relationships.

(*d*) *Bourgeois* revolution is completed under the domination of the new (bourgeois) social ideologies, which constitute an important driving force in the will to revolution of the insurgent masses. *Proletarian* revolution, on the other hand, must be carried out under conditions in which the domination of the old (bourgeois) social ideologies is only slightly shaken — of those ideologies which constitute the most serious hindrance to the development of the revolutionary will and action of the classes whose historic function is revolution.

These enormous historical differences also determine, in the last resort, the fundamentally different courses of bourgeois and proletarian revolution. An understanding of these differences is an essential condition of the accomplishment of the tasks of the proletarian revolution.

Capitalism creates the objective conditions (e. g., sufficiently advanced control of the forces of nature, the evolution of productive forces, the development of social organization) and the *elements* (e.g., the development of co-operation, of the social character of production, and to some extent of state capitalism, higher organic composition of capital, etc.), for the construction of a new classless socialist society. The evolution of the contradictions immanent in capitalism is the force which sharpens the objective class conflicts

between the proletariat and the bourgeoisie and is thus the actual driving force of the proletarian revolution.

Capitalism, however, simultaneously engenders in the minds of the working-class bourgeois ideologies, views, modes of thought, etc., which form an obstacle to the sharpening of the class struggle to the point of proletarian revolution. These bourgeois ideologies gain the upper hand over the proletarian revolutionary tendencies (arising from capitalist contradictions) unless a revolutionary Marxist organization of the proletariat, adapted to the historical conditions of the proletarian revolution and guided by the compass of a clear socialist objective, consciously intervenes in this historical process, to sharpen these contradictions to the advantage of the working class.

(4) *Marx, Engels and the Socialist Revolution*

History has proved Marx and Engels to be mistaken on one point. They drew the conclusion from the bourgeois revolutionary events through which they lived and which were the incentive of their own revolutionary development that the revolutionary spontaneity of the proletariat sprang exclusively from its class position and that, consequently, with the sharpening of capitalist contradictions, social development was bound inevitably to lead towards proletarian revolution and socialism, just as bourgeois development inevitably led to bourgeois revolution. The policy of the socialist parties, according to this view, determined only the tempo and the cost of this process. Lenin also endorsed this theory. For Marx and Engels the proletarian revolution was an historical necessity, and all socialists since their time have taken over this dogma. The Comintern, in particular, has built up the

whole of its "splitting" policy on this assumption. It is one which was comprehensible in the period of capitalist expansion, and perhaps, also, in the period immediately after the war. But the phenomena of the capitalist decline, and, in particular, the course of developments since 1924 and the victory of German fascism, have completely refuted it.

Those who still recite this creed after all the sanguinary experiences of the last few years are stabbing the protagonists of socialism in the back.

We might just as well drag in the dust the memory of Marx, Engels and Lenin, those great geniuses and leaders of the proletarian struggle for freedom, as refuse to draw fresh lessons from the new course of history, or attempt to evade the obligations arising from these newly-discovered truths, under the pretext that Marx and Engels also knew no better half a century ago.

In reality socialist revolution and socialist remodelling of society are not historically inevitable, but are, rather, *a great historical opportunity placed* within the reach of the human race. It is for us to use it.

(5) *The Great Alternatives*

In world capitalism of the imperialist era two great historical forces, lines of development or tendencies are struggling for supremacy. The outcome of this struggle will decide the fate of human society on the face of the earth for a long time to come. One of these tendencies is the force impelling civilized humanity towards reaction, the other tendency is the effort of the proletariat consciously to steer the history of mankind towards socialism.

The evolution of the contradictions inherent in

capitalism are just as likely to lead to the decline of modern society into barbarism as to form a valuable lever for the creation of the political preliminary conditions for the socialist transformation of society.

The first path is that of the spontaneous, automatic decline of capitalist society as a result of its social contradictions; it will perish through its own unrealized contradictions and cease to be a decisive factor in civilization. The second possible development, on the other hand, will have to be deliberately brought about and shaped by the historically-conscious section of the proletariat to combat the former spontaneous tendency towards reaction.

The course and the successful outcome of this gigantic conflict will depend on the balance of power between the forces of the proletariat, consciously shaping history, and the unconscious, primitive reactionary tendencies of imperialist capitalism. The whole course of this struggle is what must be understood as the proletarian world revolution.

The reactionary line of development entered upon its present phase in August 1914. The course of its history is characterized by the more and more destructive effects of the socially active forces (in particular, the productive forces), which are bound to work against society to an increasing extent as blind, brutal, natural social forces, so long as they cannot be comprehended and, hence, controlled by society.

An age of increasingly destructive world wars, that is, an era of terrific explosions of the productive forces in the attempt, first and foremost, to burst forth from their natural barriers—the first stage was the world war of 1914-18—is now setting in. An era of fascist dictatorships which will strangle all the progress of

civilization and will make the struggle of the working classes for the liberation of mankind from the scourge of capitalism more and more difficult. An era of the spiritual and cultural decline of society, of the growing physical distress of the masses and the moral decay of the ruling classes. This development has already begun and we are its contemporaries.

The second and contrary tendency in the development of the history of mankind has also reached the stage of actuality. It reached its first stage in the Russian October Revolution, the genesis of which goes back to the beginning of this century, to Lenin's vitally important action in creating the Bolshevik party and to the decisive discussions and formulation of policy of the Russian socialists. This Russian revolution is, however, associated with a false theory. Based on imperfect knowledge, it is bound to become involved in greater and greater contradictions, unless the proletariat of Western Europe guides it politically and intellectually into new paths. With these attempts on the part of the proletariat of Western Europe to develop and put into action the *theory and practice of socialist revolution*, on the basis of its own conditions and of its own experiences and defeats, is being ushered in the *second stage of the proletarian revolution.*

Reaction and revolution are at grips with each other on a world scale. The entire course of these two great developmental tendencies may possibly last several decades before there is an ultimate historical decision. Whether, in this contest, the Marxist socialists, consciously planning proletarian revolutionary socialism, and the socialist interests of the world proletariat will be victorious, or the reactionary tendencies of capitalist automatism, cannot possibly be stated with certainty

beforehand. "Upwards to socialism, or downwards to barbarism!"—a decision between these alternatives cannot be reached in theoretical discussions, but only by means of conscious action, that is to say, in the first instance, action on the part of the progressive Marxist elements of the proletariat in the great capitalist countries.

This decision can only be ultimately arrived at on an international scale. Only when, in the vitally important capitalist countries of the world, the proletariat has seized power; only when the revolutionary governments of these countries have succeeded in understanding and controlling the socially active forces to such an extent that a socialist world economic organization can be set up by a planned international division of labor and there is scope for the unlimited expansion of the gigantic productive forces taken over from world capitalism—only then will the final decision have been reached in the history of humanity in favor of socialism. The proletarian revolution, therefore, will be an international revolution, although national revolutions of the proletariat, that is, revolutions taking place within the inherited national frontiers, will form its point of departure. The national revolutions of the national proletariats will constitute the international revolution of the world proletariat.

CHAPTER III

WHAT LED TO THE COLLAPSE OF THE SOCIALIST LABOR MOVEMENT IN GERMANY?

THE SHARPEST CRITICISM OF THE PAST IS NECESSARY

In the spring of 1933 the German socialist movement suffered the severest defeat of its history. If it is not able to draw lessons for the future from its bitter experiences, this defeat will lead to its ultimate collapse and its disappearance from the stage of history. Unless the causes are discovered which have brought about a steady loss of strength, determination and confidence in victory since the time of the zenith of its power, between 1918 and 1920, and which have rendered the whole movement paralyzed and helpless in face of the fascist onslaught, recovery will be out of the question. Without the sharpest criticism of the past and the most complete frankness with regard to its errors and mistakes, there will be no hope of finding new ways and means of sweeping aside the fascist reaction and of paving the way for the struggle for socialism.

In the early summer of 1933, a few months after the fascist seizure of power, a certain temporary check in the fascist advance was observable; there occurred a short pause between two waves of terror. Even this was enough to foster the illusion in the ranks of the scattered remnants of the German labor movement that the good old times of democracy were returning. Nothing would be more fatal than for the shaken

emigre labor parties of the International and their miserable remnants in Germany to proceed as though no fundamental change had taken place.

Ten years have passed since Italian fascism dealt death-blow to the powerful, militant Italian socialist movement, which has now been virtually extirpated. This has not, however, prevented the socialist labor parties of other countries from slavishly repeating the mistakes of the Italian socialists. It has not prevented the German socialist movement from being struck down by German fascism as a consequence of this incapacity to learn and from being threatened with extinction unless, by employing the sharpest self-criticism, it draws the necessary lessons from its own history.

If German socialists are now endeavoring to thrash matters out completely and thus to tear the veil from their own past, it is not merely for their own enlightenment that they are doing so. We know that all the knowledge which we shall gain thereby will doubly and trebly benefit the workers of those countries which are still democratic and whose problem is not the defeat of fascism, but the defence of their own freedom. An understanding of the past can alone show us the way to the creation of a better future.

HAS MARXISM FAILED?

The German Nazis and their prototypes, the Italian fascists, and the nationalist reactionaries of the whole world have declared war to the death against Marxism. "International Marxism is responsible for your misery," they proclaim to their peoples. "Its representatives, the Marxist parties, pass from defeat to defeat, and in consequence of their failure the people is being reduced to a state of appalling misery. The Marxist

experiment in the Soviet Union is ending in hunger and chaos. The way to real freedom and happiness is not that of Marxism and the International, but that of the nation, towards socialism. Not the class struggle, but the community of classes, leads upwards."

In view of the ugly developments in Italy and Germany, certain elements here and there in the socialist labor parties themselves are already beginning to cast doubts on the "dogma" of Marxism and to press for a fundamental revision of the tenets of the socialist labor movement.

In view of the anti-Marxist campaign of the fascists and the revisionist tendencies within the socialist labor movement, we declare *most emphatically in favor of Marxism* as the only possible basis for a socialist reconstruction of society. We maintain that the defeat of the socialist labor organizations does not refute, but confirms, Marxism, for this defeat was merely the consequence of the non-Marxist character of these organizations. It was because these workers' organizations proved incapable of acting according to the spirit of Marxism that they were victims of those great destructive social forces which are the product of the epoch of capitalist decline. A revival of the German socialist labor movement can come about in the spirit of Marxism alone.

THE UNDERLYING CAUSES OF THE BOURGEOIS OUTLOOK OF THE GERMAN WORKERS' ORGANIZATIONS

As has already been said, a cultural superstructure exists which corresponds to bourgeois capitalist relationships. Methods of acquiring knowledge, modes of thought, all creative work, the conceptions of human beings, their wishes, hopes and theories, are decisively

conditioned by their social relationships, and these are bourgeois and capitalist for the *whole of society*, that is, for the proletariat as well. This condition—historically unalterable in the present epoch — is fundamentally responsible for the fact that the thought of the broadest strata of the proletariat has become bourgeois. Nor do these bourgeois ideas stop short at the thresholds of the socialist labor organizations, but rather, they force their way into them and disintegrate them as militant, Marxist bodies.

It was Karl Marx's great service to be the first to point out the fundamental significance and the nature of this process whereby bourgeois ideas are developed within the workers' movement and to have conducted a determined—although in his day ineffectual—fight against it. It was Karl Marx who, for example, first pointed out in his basic economic work, *Capital*, that the social relationships of wage-labor itself were bound to give rise to the illusion on the part of all members of society that the employer made use of no *unpaid* labor, that is to say, that no exploitation took place; that employer and worker were socially equal partners (if not equally favored by fortune) in the capitalist state; that capitalist society offered worker and capitalist not only equality before the law, but also equal rights and equal freedom; that, above all, the general interests of both classes in economic prosperity and the prosperity of the state led them in the same direction. The ideas and illusions of the masses arising out of these beliefs are not only the source of the fascist theory of a national community of interests, and of the success of their propaganda with the workers, but they also constitute the basis for the bourgeois, reformist policy of German Social Democracy. Inasmuch as

German Social Democracy regarded the interests of the working class and the employers as essentially identical (although they might differ in details) and equally dependent on the welfare of the bourgeois state and the prosperity of capitalist economy, it had, in all doubtful cases, to marshal its forces in support of this state and the maintenance of the capitalist system.

THE HISTORY OF THE DECLINE OF GERMAN SOCIAL DEMOCRACY

It is, therefore, an illusion to think that German Social Democracy was at heart a revolutionary Marxist party up till August, 1914, and that it then betrayed its faith in Marxism as a result of the mean-spiritedness or the lack of understanding of its leaders. It could not betray principles which it had never possessed. Its objective had always been, at the most, a bourgeois democratic republic. Any efforts towards this end were bound, it is true, under the Hohenzollern monarchy, to have a revolutionary character, that is, a *bourgeois* revolutionary character. But even under the rule of the Kaiser and the Junker regime the fate of German imperialism lay closer to its heart than the bourgeois revolutionary struggle. At all the party conferences after 1900, and even earlier, the party repeatedly avowed its unanimous interest in the "defence of the German Fatherland" and its concern for its military strength.

August 1914, was not the reason for German Social Democracy's becoming permeated with bourgeois ideas, but was merely the occasion for its manifestation. It merely brought to light a state of affairs that already existed. Neither is it true that a decisive majority of the masses disapproved of the policy of the leaders at that

time. During the second half of the war and during the first months of the revolution of 1918-19, the majority socialists, who had openly voted the war credits, were opposed by the independents, who had voted against them. In February 1919, at the Parliamentary elections, which were accompanied by a campaign of very free and intensive agitation, and for which the voting was very heavy, the social democrats, nevertheless, received almost four times as many votes as the independents, who had opposed the war. It was only later that a further transference of the allegiance of the working class to the latter occurred.

In the succeeding period, also, of the Weimar Republic, German Social Democracy remained true to its principles — true to the bourgeois state and to capitalism. In order to protect this bourgeois republic from the impetuosity of the masses and the advance of the revolution, it disarmed the proletariat in a series of sanguinary struggles, but on the other hand armed the bands of officers, the reactionary "Burgerwehren"[1] and supported the Free Corps — in short, all those reactionary organizations out of which grew up the N. S. D. A. P. (Nazi Party), which finally drove the Social Democratic Party executive out of Germany. In every critical situation, in the inflation, in the various slumps, and during the reactionary attacks of the bourgeoisie on the workers' interests, the social democrats usually allowed the interests of the bourgeois state to take precedence over the proletarian class struggle, priding themselves, into the bargain, on their "sense of responsibility." No one more clearly characterized the nature of this policy than

[1] After the war the demobilized officers formed bands to attack the revolutionaries.

Karl Kautsky, the theoretician of the German party, when he earnestly and approvingly declared: "The German Social Democratic Party was transformed, after the revolution of 1918, into a conservative party, for a revolution after the revolution is inconceivable" (*Der Bolshevismus in der Sackgasse*). In this he is clearly expressing the fact — of which most sections of the party are unaware — that the political objective of the German socialists is a bourgeois republic, and not the socialist state, and that its social objective is a "reformist" capitalist system. For socialism presupposes a second revolution after the bourgeois revolution, namely, the proletarian revolution.

The first vital mistake of the German social democrats was their approval of the bourgeois democratic republic as the ultimate political objective of the social democratic movement. Though this illusion was comprehensible in the period of capitalist expansion, when the political development of all capitalist countries was tending towards this form of state, and in the time of the Hohenzollern monarchy, it is completely incomprehensible and fantastic in the period of capitalist decline when it is more and more being demonstrated that only dictatorial centralized forms of government can last for any length of time. The coming into being of centralized party states cannot in the long run be avoided. The only question is whether these states shall be fascist or socialist, and whether their leading organizations shall tolerate the capitalist system of profits or shall, armed with the weapon of scientific Marxism, aim at the achievement of socialism.

It is, of course, true that in a fascist state such as Germany the immediate aim of the socialist labor movement must be the restoration to the working class

of all democratic rights. Were the socialists, however, to aim, after the defeat of fascism, merely at the restoration of the Weimar Republic, they would rapidly be swallowed up for ever by a new fascist wave; quite apart from the fact that a party can have no possible chance of success in the fight against fascism, if, after all its bitter experiences in recent times, that party regards, as its highest purpose, the restoration of a state which brought the masses so much wretchedness that they preferred fascism.

The second vital error of the German Social Democratic Party consisted in its touching solicitude for the welfare and prosperity of the capitalist system. Ever since 1919, when it was obliged to take up an attitude of responsibility towards these questions, the party repeatedly declared in favor of the interests of the "economic system," for it believed that the protection of the interests of the proletariat would either run counter to its "responsibity to the state" or would damage the "economic system," that is, in actual fact, the owners of the economic system — the capitalists. In 1919, when the workers, basing their demands on their political power, began to undermine the economic position of the employers by their wage-demands, it declared against allowing the revolution "to degenerate into a movement for higher wages." In 1920, in order to protect the "economic system," it limited the rights of the works' councils, and subsequently either passed or tolerated an interminable series of laws which virtually eliminated them, and which were intended to prevent the development of the proletarian economic struggle into a political struggle. During the inflation it supported stabilization, and after the stabilization it urged the workers to "make sacrifices in the

interest of the rationalization of industry." Again and again the limits for the economic aggressiveness of the social democratic labor movement of Germany were determined, not by the potential strength of the working class, but by the interests of the "economic system." This attitude was, on the one hand, the result of a lack of any real conception of a socialist system and the path to it, and, on the other, an expression of the degree to which the party leadership was permeated with bourgeois ideas; for it did not regard it as its task to protect the interests of the working class against the capitalist, but, on the contrary, to mediate between the two classes within the framework of the existing system.

THE BOURGEOIS CONCEPTIONS WHICH LED TO THE DECLINE OF THE GERMAN COMMUNIST PARTY

The German Communist Party is, unlike the Social Democratic Party, by no means reformist or revisionist. It hangs with orthodox piety on every word of Marx and Lenin. Nor can one deny its sincere and ardent will to fight with all its strength for the cause of the proletariat and socialism. This does not prevent it, however, from having been disastrously affected by bourgeois thought, even if quite differently from, and in other respects than, the Social Democratic Party.

The agitation, propaganda and activities of the German Communist Party since its foundation betray certain striking indications of pathological delusion. In political effectiveness the German communists were, from the start, in spite of their ultimate five million votes, merely an insignificant sect. Nevertheless, they invariably talk and act as though the German masses were communist. The communists assume the existence

in all other sections of society of their own conceptions, views and ideas. They invariably see the world, not as it is, but as they wish it to be. Instead of critically analyzing happenings in the working class and in society and their own role therein, they read into the world and into society their own subjective, even if for the most part highly revolutionary, ideas. In so doing they abandon the Marxist methodology (which is materialist) in favor of *idealism*, that is, subjective idealism. They become subjectivists.

This subjectivity is associated, in the case of the communists, with a mechanical, uncritical, parrot-like repetition of the writings of the great Marxist leaders, and also of their own and the Comintern's theses and assertions, which are not always critically tested and worked out, but worshipped dogmatically. Thus the Communist Party abandons the Marxist method (which is critical) in favor of *dogmatism.*

Subjective idealism and dogmatism are the distinguishing features of the sectarianism of a movement. They are capable of condemning a revolutionary workers' organization, notwithstanding its good intentions, to become a counter-revolutionary group, and of causing all its well-meaning actions to turn out to the detriment of the working class.

Whereas reformism takes a false view of the social structure—believing all classes to have the same fundamental community of peaceful interests—the subjective ideologists among the proletariat, in particular, the Communists, take a false view of the ideological structure of the proletariat. They exaggerate, in particular, the role of their own party or group, in that they regard it as almost victorious, almost universally acknowledged. The other socialist sects or "splitters"

such as the Socialist Workers' Party (S.A.P.) and the Communist Opposition (K.P.O.) deviate similarly from Marxism. They too are unable to realize the isolation and insignificance of their own sects within the whole proletarian movement. They too, like the communists, failing to move the other organizations in the labor movement (e.g., the social democratic masses) towards the left, succeed only in themselves moving round in circles and in regarding their own unanimity as their ultimate objective and as synonymous with the convictions of others.

An understanding of these bourgeois conceptions of revolutionary subjectivism and their destructive consequences for the socialist labor movement is also to be attributed to Marx. In the year 1852 there was growing in influence in the Communist League of Marx and Engels a faction under the leadership of Schapper and Willich who refused to realize that the spontaneous revolutionary fires of 1848 had burnt themselves out for some time to come. This was a movement which read its own glowing revolutionary will into the rest of the world and which believed at once in the primitive revolutionary forces of the proletariat and in the immediately impending "world revolution of the proletariat." Marx did not praise this tendency as the Bolsheviks today praise the parties of the Comintern for the same illusions. On the contrary he opposed it as strongly as possible.

> "The minority replaces a critical by a dogmatic, a materialist by an idealist, outlook. For it mere will-power becomes the driving-wheel of revolution instead of actual conditions."

Supporting their contentions in this dictum, Marx

and Engels destroyed the Communist League, which four years previously had adopted as its program that guiding light of Marxism, the "Communist Manifesto."

The First International, too, the international working-men's association, was liquidated by Marx and Engels themselves, chiefly on the ground that Bakuninism had more and more gained the upper hand in it. Syndicalism and anarchism of a Bakuninist stamp, are, however, nothing more than outward forms of this revolutionary subjective idealism, which unconsciously mistakes its own revolutionary will for the driving-wheel of world history.

The communists, during their entire history, have been the victims of their own subjective illusions. In 1919 a ridiculously small group of communists, who had occupied a few Berlin newspaper offices, without any following in the population, acted under the illusion that they alone represented the proletariat and that they could, by means of revolutionary articles, mobilize the masses, who were waiting for the revolution. The March *putsch* of 1921 was likewise carried out by the Communist Party under the illusion that the proletarian masses of Germany understood and actively supported the communist ideas. The Hamburg "insurrection" of October 1923 was carried out under the same illusions. If no important open outbreaks on the part of the Communist Party have occurred since the stabilization of the German currency, this is not because its illusions are any weaker, but because its strength is less and the strength of its opponents greater. The stabilization of capitalist Germany since 1924 has excluded the possibility of any more communist uprisings against the authority of the state. The communists, therefore, have had to limit their

attacks to the non-communist majority of the working class and its organizations.

During the last few years, above all since 1927, the communists have given evidence of an increasingly intensified activity against the social democrats and the masses organized within the trades unions. Neither in capitalism nor in fascism, but in the social democratic masses do they think they see their chief enemy. Being incapable of comprehending that the non-communist workers keep away from communism out of inner conviction, they regard the political outlook of the working class as the work of the devil and his earthly representatives, the social democrat leaders. They fail to understand that these leaders are merely representatives of the reformist outlook which pervades the masses, for they regard the entire non-communist majority of the working class, whether organized or not, as revolutionary. For this reason they do not need to take any special trouble about them. They need only rail at them on the ground that they still draw no conclusions from their revolutionary convictions and that they refuse to join the Comintern movement either directly or indirectly by becoming members of one of the communist auxiliary organizations.

In this way the Communist Party has not only steadily widened the gap between the communist and non-communist workers, but it has also driven itself into a more and more fatal position of mental and political isolation from all the other sections of society. Instead of winning over the masses, as they wish, the communists merely win over their own followers, again and again, in continually new forms. The victory of fascism would not have been possible but for this disastrous and absurd policy of the Communist Party.

THE RELATIONSHIP BETWEEN THE SOCIAL DEMOCRATIC PARTY AND THE COMMUNIST PARTY IN GERMANY

The actual consequences of this insane communist policy can be fully realized only when one comprehands the nature of the German socialist movement as it emerged from pre-war social democracy—a single, large, even if inwardly contradictory, unit. Even if German Social Democracy had not been split during and after the war, and even had it been reunited, under the pressure of vast historical events, a deep political differentiation in the party would still have been unavoidable. Had, however, the democratic moral freedom and freedom of organization of the members been preserved to a greater extent in this united party, more Marxist conclusions would have been drawn from these internal party discussions, and the leadership of the party would have passed over all the more surely into the hands of revolutionary Marxists; and the latter would undoubtedly have obtained the overhwhelming majority. If they had had suitable organic connections within the united party, such a party would merely have realized the claim of the Communist Manifesto:

"The communists are no separate party distinct from other working-class parties.

"They have no interests separate from the interests of the proletariat in general.

"They set up no sectarian principles on which they wish to model the proletarian movement.

"The communists are only distinguished from other proletarian parties by this: that in the different national struggles of the proletariat they point out and bring to the fore the common interests of the prole-

tariat independent of nationality; and, again, that in the different revolutionary stages which the struggle between the proletariat and the bourgeoisie must pass through, they represent always the interests of the movement as a whole.

"Thus the communists are practically the most progressive and resolute section of the working class of all countries; they have theoretically the advantage over the great mass of the proletariat of understanding the conditions and general results of the proletarian movement." [1]

Had the organizational development of the German labor movement followed the spirit of this dictum, the entire historical development in central Europe would have taken a different course, a course with more hope for socialism. The cleavage of the German socialist labor movement brought about, even if from revolutionary motives, by the Comintern, is the actual cause of its failure.

Subsequent to the foundation of the Communist Party as an independent socialist organization of the most radical elements of the German socialist movement, there was a natural tendency in it to attract to itself from the Social Democratic Party (and the Independents) all of those elements which took up a critical attitude to their own party because their ideas were more revolutionary than those of the bulk of the party and its leaders.

The continual splitting-off of left elements from the Social Democratic Party, the largest of which was the defection of the left-wing independents in 1920 and the last the defection of the Socialist Labor Party (S.A.P.),

[1] Quoted from the translation of the Communist Manifesto by Lily G. Aitken and Frank C. Budgen, Edinburgh, 1908.

steadily shifted the centre of gravity of social democracy to the right, checked political discussions in its ranks and thereby prevented the Marxist enlightenment of the German working class. At the same time it gave to those elements which conspicuously expressed the conservative character of the party a greater and greater preponderance among the representatives and leaders of the party. The blame for the course pursued by German Social Democracy, leading from the republic of soldiers' and workers' councils in the winter of the 1918-19 revolution to the toleration, first of the Government of Bruning, then of Schleicher and, finally, of Hitler on May 17th, must be laid to the account of the German communists and the Comintern. This development of German Social Democracy towards the right was bound, on the other hand, to lead to a widening gulf between it and the communists, and to an intensification of the communist hatred towards the social democratic movement. The consequence of this war, again, to supply a further stimulus to the communists to pursue their policy of isolation, and to intensify their attacks on the non-communist proletariat. Thus there inevitably came about in Germany a more and more complete "polarization" of the entire socialist movement.

Had the communists, instead of opposing the socialists, striven to stand shoulder to shoulder with them and with all the other organized sections of the working class in the struggle against capitalism and the fascist menace, we are firmly convinced that the German working class would not today be faced with the task of combating fascism, but, rather, with that of putting socialism into practice.

All those small opposition groups which have split

off from the great socialist workers' parties under the influence of this tendency towards "polarization" encouraged by the Comintern, the Socialist Labor Party (S.A.P.), the Communist Opposition (K.P.O.), the Trotskyists, etc., may perfectly well be right in some details of their criticism of the large parties. The important thing, however, is the fact that they were unable to point out any new paths, that they were even incapable of any fundamental criticism of the policy of the past, and that, on the whole, they approved of it. What is more, the only conclusion they could draw from their divergent views was that they should still further increase the cleavages in the labor movement and thus still further weaken the fighting power of the proletariat. They have always taken up their stand in accordance with the basic fundamental errors of the large workers' parties and, in so far as there is anything left of them, they are doing so to this day. Even if one were to accept the criticism of the parent parties by these groups in all its details (which one cannot), their actions would have to be described as un-Marxist and destructive. In manœuvring the few thousand individuals with left leanings out of the social democratic movement, the only result the leaders of the Socialist Workers' Party (S.A.P.) achieved was to drive the entire party, the influence of which was so decisive in political life, to the right, and considerably to limit the chances of its revolutionary revival. And, again, in luring out of the Communist Party those few officials who were opposed to the intensification of the policy of splitting the trades unions, the only result that Brandler and Thalheimer achieved was to strengthen the subjectivist tendencies in the Communist Party and to remove even those minimal checks, which they

themselves stood for at that time, on this insane policy.

If the small sects, even in times of legality, added appreciably to the confusion in the socialist movement, under fascism, when the old democratic mass labor parties are being increasingly weakened and exterminated, they are playing a still more fatal, even if unintentional, role. So long as they maintain and deepen the cleavages in the socialist labor organizations, they are merely needlessly interfering with, and complicating, the serious illegal work of the revolutionary socialists.

OUR ATTITUDE TO THE BOLSHEVIKS

No socialist labor party in the world can achieve a sharply-defined national and international political line unless it is capable of clearly, decisively and correctly defining its attitude to the Bolsheviks and the policy pursued by them. For the policy of this Russian socialist party has led to two great historical results, both of the greatest import to the working class and the socialist labor organizations of the whole world: the creation of the Soviet Union and the founding of the Comintern.

(1) *Our Attitude to the Soviet Union*

Since October 1917, the Soviet Union has been the center of all debates concerning the nature of the socialist state and socialism in practice. The form of its state, defended by the communists as Soviet democracy and attacked by non-communists as a regime of red terror, must be understood and evaluated by Marxist socialists on the basis of historical experience. Its experiment in economic planning, the so-called "planned" economy, is regarded by communists and even by reactionaries as an important social improvement

upon capitalism. It is even regarded by some as the realization, for the first time, of Marxist socialism. It has also found champions here and there in the ranks of the social democratic labor parties. The Soviet planned economy is considered by all those classes, even among the proletariat, who are critical of the Comintern, as an experiment in the achievement of scientific socialism. Since, however, this path is not leading to socialism, and cannot lead to it, a sense of hopelessness and pessimism is growing in the ranks of the socialists, and a new faith in the existing system in the ranks of the enemies of socialism.

The Soviet Union is, according to our views, a socialist state. It belongs to the type of centralized party state which is to be met with in Italy and now also in Germany. There can, however, be no doubt that, in contradistinction to fascist parties, the Bolshevik Party, which guides and represents this state, has a genuine desire to further the interests of the working masses of Russia without regard to the welfare and the existence of the capitalist class. There can be no doubt that it is endeavoring, to the best of its knowledge, to construct a socialist economy out of the capitalist economy in the spirit of scientific socialism; and it is at pains, in so far as its position permits, to advance the interests of international working-class solidarity. It constitutes, in short, according to its will and its endeavors, a socialist party. Whether, and to what extent, its will is likely to be realized is another question.

These subjective intentions, however, are the decisive consideration in judging the form of a state, since, in party states, the party also embodies the state, and the indisputable subjective will of the Bolsheviks to socialism on the basis of Marxism shows that the Soviet

Union is a socialist state. The Soviet Union is under the absolute domination of a party determined to base its power as far as possible on the support of the proletarian masses and seeking to realize socialism in the spirit of Marxism.

The Soviet Union is thus a decisively important element in the socialist labor movement of the world and in the proletarian struggle for socialism, Its collapse would be one of the worst catastrophes which could befall the world proletariat. The difficulties of the Soviet Union compromise not only it and its party, but also socialist thought in all the countries of the world, and severely handicap the socialist propaganda of all the labor parties. The prosperity of the masses in the Soviet Union and their social advancement would both weaken the existing fascist governments and facilitate the struggle for socialism under all conditions. The Soviet Union, therefore, must rank as an historically indispensable participant in the international socialist struggle for freedom, and we feel ourselves fraternally bound up with its fate.

This feeling of close solidarity does not prevent us from applying the standards of the sharpest Marxist criticism to internal developments in the Soviet Union; on the contrary, it makes it our duty to do so. Only the kind of criticism which is made, not from the standpoint of an enemy, who rejoices in defeats, but from the standpoint of a very close friend, who wishes to contribute towards the overcoming of existing difficulties, can constitute the preliminary conditions for the important objective that lies before us: the reunification of the entire socialist workers' movement, with the inclusion of the comrades in the Soviet Union. Without a clear and uniform conception of socialism

and the path to it in all the important and leading sections of the socialist workers' movement, any mobilization of their forces for united agitation and struggle, with the inclusion of the Russian proletariat under the leadership of the Bolsheviks, will be impossible. The uncritical, dogmatic worship of Russia not only widens the gulf between those imbued with this spirit and those who can certainly see the negative, but not the positive, side of the Soviet Union, but it also makes these believers incapable of being loyal to the socialist objective and the socialist struggle even in times of obvious crisis and disappointment, since they lose, with the inevitable destruction of their illusions, everything that was the basis of their attitude and their struggle.

No one recognizes more clearly than we do the tremendous positive significance of the Soviet Union as the beginning of a really new, progressive historical movement of humanity. The Soviet Union constitutes today the only serious counterpoise to the almost overwhelming tendencies towards fascism throughout the civilized world, and in its existence lies the only hope of carrying on the proletarian world revolution until all fascist dictatorships and systems of capitalist exploitation are ultimately destroyed.

The work of the incomparably heroic Russian proletariat and its leading party, the Bolsheviks, has a special significance as pioneer work, but at the same time, and for that very reason, difficulties arise, obscurities persist, which will be much more easily overcome by a second proletarian revolution, if, and in so far as, it knows how to learn and draw conclusions from a critical examination of the Russian experiences. Every socialist party which wishes to

follow the path to revolution in the future will only be able to attain this objective if, as a critical Marxist party, it understands and examines the Russian proletarian revolution in all its aspects, if it learns from its successes and the example of its actions, but also recognizes its errors and mistakes and avoids them. The Soviet government, as the first government of the world to be faced with socialist problems, could not for this very reason have any clear conception of the socialist work of transformation and construction, particularly as it came to power in an economically backward country, the population of which was not so culturally developed as the peoples of Western Europe, and the economic system of which had been completely laid waste by six years of war and civil war.

After the treaty of Brest-Litovsk had provided a breathing space, it believed itself able, in the midst of the chaos still reigning in 1919, to conjure up socialism in a short period by the issue of decrees. Proceeding from non-Marxist economic views, it regarded money and trade as the roots of the capitalist evil. It therefore expropriated private capital to an extent beyond that dictated by political necessity, proscribed private trading, and sought, by an artificial acceleration of currency devaluation, to "abolish" money. It attempted to keep the economic system going and to develop it into socialism by means of bureaucratic decrees (control-figures, plans, ordinances, etc.), instead of the use of the existing forms of organization.

The result of this initial attempt was indescribable chaos and a famine which, in 1921, claimed countless thousands of victims. Workers' and peasants' revolts ensued, which might perhaps have resulted in the collapse of the Soviet Union if Lenin had not at that

time possessed the quality of self-criticism, the sense of responsibility and the courage to call a halt on the wrong path, to turn round and, by the restoration of the market and of money, to create the preliminary conditions for the recovery and construction of the Soviet economy in the N.E.P. period. In order that the abortive experiments of the period preceding 1921 and this reversal of policy should not appear to the masses, to whom it had been represented as "socialist construction," as a retreat from socialism, this period of decrees was subsequently apologetically designated "War Communism."

The path of N.E.P. (New Economic Policy) developed the Soviet economic system in a few years from chaos to order and prosperity, and then in 1928-29, after Lenin's death, as a result of political discussions among the Bolsheviks, this path was abandoned. This fatal and mistaken change of policy was urged by Trotsky against the inadequate opposition of certain not very authoritative members of the government, and was, later, put into force by Stalin, without and in opposition to Trotsky.

The new policy, the so-called "planned economy" introduced by the Five-Year Plan, which has taken the place of N.E.P., is only an apparent advance; in reality it is a kind of new edition of War Communism. Instead of an efficient state control and regulation of the automatic checks and balances of the market, by means of a comparison of the capacity of various industries to pay for themselves, particularly of those taken over by the state, by means of a purposeful credit and taxation policy, and by means of the development of urban and rural co-operatives, a utopian attempt was made to map out in advance the

working of the entire economic system, of each branch of industry, indeed of each factory, by means of a comprehensive and detailed plan which for years ahead should decide every detail, such as costs, quality, productivity, consumption of raw materials, expenditure of labor power, finance, etc. The decrees of the plan took the place of the only possible standard by which to judge the economic successes of enterprises, the standard of their capacity to pay, and thus the bureaucratic machinery of certain unknown and changing authorities took the place of the creative initiative of the factory manager.

At the same time, the agricultural system, which will be of decisive importance for the U.S.R.R. for a long time to come, and which is split up into small peasant holdings, was precipitated into a devastating crisis by absurd compulsory collectivization, instead of being transformed into a system of state farms by the organic promotion of collectives—chiefly by means of the gradual and systematic education of the peasants in collective production in accordance with the ideas of Lenin.

The consequences of these "socialist experiments" were fatal. Inflation, complete chaos in the credit and accounting systems, and sheer confusion in market conditions replaced a sound currency and the orderly functioning of the market which had existed up to 1928. Whereas the stability of the currency, the productivity of enterprises and the exactitude with which their capacity to pay can be calculated and compared should be characteristic of socialism, in the Soviet economic system the opposite obtains. The Soviet Union has since 1928 attempted to speed up, above all, the production goods industries (and that, too, far

beyond the point called for by the industrial backwardness of the country), at such a rate ("to catch up and overtake capitalism") that this serious potential lack of balance in industry would alone have resulted in the failure of such an attempt, quite apart from the chaos in accounting, etc. The internal organization of the factories has tended to become more and more chaotic, productivity (i.e., production per worker) has sunk, the quality of goods has declined, and the lack of some of the barest necessities has increased. Finally, the disorganization of agriculture brought about by the abortive agrarian experiments has led to serious famine over wide areas in the past year,[1] a return of which is constantly threatened in spite of the good harvest this year. This is the actual result of more than five years of Soviet "planned economy."

This "new Soviet planned economy" has nothing whatever to do with either planning or efficient economics, let alone with socialism. It represents, rather, a bureaucratic economic system controlled by decrees such as that which once before, in the period of War Communism, resulted in catastrophe. Such a crisis in the Soviet Union is, therefore, no proof of the failure of scientific socialism. It should on no account be denied that the Soviet Union has had, and has, to deal with objective difficulties which would not exist to the same extent in the case of a highly developed and completely industrialized country. Part, at least, of the objective difficulties which exist today are, on the other hand, in their turn the result of the failure of the policy of the Five-Year Plan, a policy which led to the disturbance of controlled development and to chaos in those enterprises which had functioned quite efficiently

[1] I.e. 1932 (translator).

at the time of the N.E.P., in which the staff had not been changed, in which Russian and foreign workers, some of them highly qualified, were employed, and in which the failure of productivity was presumably to be ascribed to the abortive economic policy.

The excellent socialist intentions of the Bolsheviks have hitherto not been adequate to evolve a clear conception of socialist construction. Hence they have not only been incapable of overcoming the objective difficulties which undoubtedly exist, but they have themselves constantly increased these difficulties by their Five- and Fifteen-Year Plan policy, which represents a mechanical, instead of a dialectical, negation of the capitalist system. It is therefore not to be wondered at that even capitalist circles have often enough exhibited a passionate interest in and sympathy for the Russian planned economy.

The Bolsheviks could support the proletariat of Western Europe in no better way than by returning to the N.E.P. inaugurated by Lenin. They would thereby ensure an easing of the burdens of their working masses, a fresh era of prosperity for their agriculture, renewed productivity for their industry and a fresh access of political and economic power for the Soviet Union.

If this return to the N.E.P. occurs in forms which take into consideration the attitude hitherto inculcated in the masses in the Soviet Union, if it is carried out with due regard to both the increase of the military security of the U.S.S.R. and the steering of the N.E.P. market economy in the direction of socialist construction, then it will serve both the interests of the Russian people and the interests of the working class of the whole world.

(2) *Our Attitude to the Comintern*

The founding and activities of the Comintern constitute as serious a handicap in the international struggle for freedom as the establishment of the Soviet Union represents a tremendous historical advance in it. Not only in Germany, but in almost all the countries of the world, the revolutionary elements were split off from the democratic socialist labor organizations, and thus the mechanism producing cleavages such as we have described in the case of Germany was set in motion. A development was thus brought about which, under the influence of capitalist decline, progressively isolated the left elements from the majority of their class and forced the remaining section of the social democratic movement more and more to the right.

The Bolsheviks had themselves had experience of the primitive power of the spontaneous uprisings of the proletariat and the mighty peasant revolution. These social upheavals had already resulted in the February revolution (forces by which they finally allowed themselves to be carried on to the October revolution). They had, further, seen how the spontaneous uprising of the masses had overthrown the militarist monarchies of Central Europe, and how the spontaneous revolutionary forces of nature had brought the world war to an end, thus giving them their badly needed breathing space.

What the Bolsheviks, however, did not understand was the fact that these primitive spontaneous mass forces in their own revolution and the revolutions in Germany and Austria-Hungary were of *bourgeois* revolutionary origin; the German November revolution was only the last phase in the great bourgeois

revolutionary process which had begun in Prussia at the beginning of the nineteenth century; and that in Germany there was lacking that subjective factor which in Russia was provided by the Bolsheviks and which was capable of consciously utilizing the impetus of the bourgeois revolutionary forces for aims which transcended its actual aim, for the proletarian revolution. The communists believed—just as in its time the "left wing" of the Communist League believed—that there resided in the proletariat of the world spontaneous revolutionary forces which, once they had been liberated by the world war, would be bound to grow steadily in strength until Europe and the whole world would shortly be converted into a single Soviet Republic. They believed in the immediately impending "proletarian world revolution" with the same devotion and certainty as did Schapper and Willich of the "Communist League. " As late as May 1919, Zinovieff, the head of the Comintern, declared:

> ". . . the movement is speeding so dizzily forward that one can already say with certainty that in another year we shall already have begun to forget that there ever was a struggle for communism in Europe, for in a year's time the whole of Europe will be communist. And the struggle for communism will already have been transported to America, perhaps also to Asia and the other continents."

Thus wrote Zinovieff after the tiny German section of the Comintern had been robbed of its leaders and defeated, after the Bavarian Soviet Republic had been destroyed, and when in the various countries of the world there scarcely existed even the germs of communist sects.

If we were to assume that the will to, and the

understanding of, the socialist struggle lay latent in every worker, that out of the contradictions of capitalism and, in particular, the experiences of war, spontaneous proletarian revolutionary forces would burst forth which would consciously know how to mould socialism, then the foundation of the Comintern would have had a meaning. If these assumptions of the Bolsheviks had been correct, there would be no further discussions today, for there would be no Comintern, but only one international Communist Soviet Republic.

The course of history, however, has in fact been exactly contrary to the views of the Bolsheviks. The communists in all countries are weakened and isolated, and their parties are degenerating into sects which are in opposition to their social democratic class comrades. In the midst of this strife between the communist and social democratic parties, the mass of the proletariat are becoming more and more indifferent to the socialist labor movement and are, indeed, in some countries, beginning to turn to fascism. It is of no use to blind one's eyes to the fact that there are in the ranks of the Storm Detachments, the Nazi Factory Cell Organization, and the Nazi Party itself a far greater number of former communists, who have joined these organizations voluntarily and from inner conviction, than there are adherents of the Communist Party itself today.

The leaders of the Comintern were either too inflexible or too timid to draw the necessary conclusions from developments which completely contradicted their historical prognosis. If their assumptions had been correct, the Comintern would perhaps have been able to act to the advantage of the world proletariat. Since the actual conditions have turned out quite

otherwise, they have rendered and are still rendering nothing but pioneer work for fascism. Without the existence of the Comintern there would have been no split in the German labor movement, and fascism, opposed by a united socialist labor movement, would never have been victorious.

We earnestly hope that the Bolsheviks will realize the serious mistakes which they have committed in founding and maintaining the Communist International, and that they will rectify as soon as possible the wrong that they have thereby done the proletariat of the world. There is no other means of doing this than the liquidation of the Comintern, and the merging of its parties into a great united international. We are aware that such a course would also result in the reunion of those sections of the socialist labor organizations which are divided today. We are firmly convinced that such a course would, in the last resort, be to the advantage of the Bolsheviks and the U.S.S.R. It would cement the solidarity of the socialist workers of the world with the Soviet Union; it would bring the leaders of the party of the first socialist state into close contact with the socialist parties of the world; and the greater the democratic freedom in this large, united international, the more fruitful would be its discussions, and the more socialist knowledge and activity would result.

(3) *The International Proletariat and the Bolsheviks*

The U.S.S.R. is a socialist state and its leading party desires socialism. As a result, however, of erroneous theories and rigid adherence to its mistakes, it has developed serious inner contradictions and it is unable to give new social content to its *political* form of existence as a socialist state in the process of socialist con-

struction. It is a socialist state which, with the best will in the world, is plunging its own economy into chaos as a result of utopian experiments and serious incompetence, and which adheres to the empty political form of the socialist state without being able to achieve socialism by its own efforts.

In the last resort it will only be the proletariat of Western Europe and its most progressive representatives who will be able to show the Bolsheviks the way out of these difficulties. If the socialist parties of the West know how to draw the necessary conclusions from the victory of fascism, they will also have the strength and the authority to dissuade the Bolsheviks from their fatal experiment in the U.S.S.R. and from that intervention of theirs in the international socialist movement which causes so much damage. The Bolsheviks would then acquire far more significance for the international socialist struggle of the proletariat than the Soviet Union has hitherto had during its entire existence.

All this points to the international character of the socialist revolution and the existence of the Soviet Union as the first stage of the proletarian world revolution.

THE OUTLOOK FOR THE INTERNATIONAL SOCIALIST LABOR MOVEMENT

The international socialist labor movement still represents, even after the calamity in Germany, a great organized force. In almost all the countries of the world there are parties in existence, some of them with hundreds of thousands of members, with great trades unions under their influence and with millions of voters. Many of these labor parties have even grown

considerably since the war. But measured in terms of the historical tasks confronting it, the socialist labor movement has, up to the present, failed miserably.

The expression of this failure is not so much the fact that it is split up into a number of mutually antagonistic sections. For the cleavages in a socialist labor party, although they usually spring from its weakness and confusion, can sometimes arise from its strength and clarity. Its failure is to a much greater extent demonstrated by the terrific and blind destructive power which, in the midst of an unparalleled world crisis and during a wave of reactionary war preparations and fascist victories, gives proof of the terrible contradictions which have developed in society and which, at the same time, demonstrates the historical failure of the working class, which up to now has faced this fatal development in impotence and inaction. Only in the East, in the Soviet Union, has the proletariat succeeded, under favorable circumstances, in seizing power and retaining it up to the present. But the Soviet Union is also waging an heroic and chequered struggle against opposing social forces which it is unable fully to understand and thereby to master.

If the socialist labor movement is unable, in the reasonably near future, to achieve a higher level of Marxist thinking and revolutionary activity, and thereby to guide human history into new paths, the destruction of the Soviet Union and of the socialist labor movement for a long time to come, perhaps for ever, will be threatened. As the alternative to the historical decline of society, a revolutionary Marxist rebirth of the socialist labor movement must be brought about. This is the inexorable demand of history.

CHAPTER IV

AIMS AND MEANS

GERMAN FASCISM, EPISODE OR EPOCH?

It is now necessary to apply our basic knowledge and our general critique to the problems of the present, in order that we may become conscious of the tasks with which revolutionary socialists are confronted.

It would be an absurd illusion to believe that the Nazi seizure of power in Germany was merely an episode, interrupting, for a longer or shorter period, the post-war history of German democracy. It would be fatal to assume that the relative lack of devolopment of the fascist machinery for suppressing socialist activity, which the miserable remnants of the old socialist labor parties and groups still have to thank for their existence, was only a prelude to the abdication of the fascist rulers. Such ideas reveal a complete misconception of the state of affairs and the tendencies governing the political life of the fascist state.

The historical events through which we in Germany have lived since the Spring constitute (like the political transformation of Italy in the five years following 1921) a change amounting to a revolution. They constitute a *fascist revolution.* This differs fundamentally, it is true, from bourgeois and proletarian revolution in that it takes place on the plane of the existing social order; in that it neither has its roots in a violent change in social relationships, nor has as its object a transformation of the social economic system; and in that it is thus of a socially conservative, even reactionary, character. It has, however, something in common with

bourgeois revolution in that it tends towards a radical reorganization of the *political superstructure* of society; and with proletarian revolution, in that its ultimate cause and its driving forces are to be found in the contradictions of the capitalist system, and that it leads to a regime with the same external forms (although with a contrary social content). It is a political revolution springing from profound social causes and forces.

The ever-sharpening contradictions of declining capitalism radicalize the masses, but under the influence of bourgeois ideas and ideologies of a reactionary nationalist type. In so far as a centralized organization, acting in the spirit of these conceptions, knows how to make use of these trends and give them a political form, these nationalist and reactionary trends are converted into fascist tendencies and fascist social driving forces. These social forces, as they gain in strength, come into ever sharper conflict with the inherited bourgeois and democratic political superstructure of society. Finally, the political parties of the ruling class clear the way for these forces, whereupon the fascist transformation of the bourgeois state is carried out at full speed. This is what happened in Italy.

And this is what happened in Germany also, but with one difference: Italian fascism had to feel its way and seek its political objective in the process of its advance and its struggle, whereas German national socialism had, as a result of the victory of Italian fascism, a clearly formulated objective, the absolute fascist party state. For this reason the onslaught of German fascism was far more furious and impetuous than that of the cohorts of Mussolini. It achieved in a

few weeks what promised to be the work of months or years; it simultaneously attacked all the bourgeois parties and immediately afterwards liquidated the *Stahlhelm;* and for this reason too it is bent on exterminating the puny fragments of the old workers' party as soon as possible. It destroyed the free trades unions at one blow. It brought the conflict within the Church to a head and settled it according to its own ideas. It is driving towards a serious conflict with Austria; it is straining German relations with France; and, in order to strengthen its position by means of small temporary concessions in the shape of privileges and subsidies to various groups and by beginning to re-arm, it is pursuing an unrestricted financial policy, even at the cost of forcing the country, by the beginning of next year, into extremely severe financial difficulties.

There is no denying the difficult position into which the German Hitlerite government has manœuvred the *Reich* as a result of the violent onslaught of German fascism with its shortsighted, blundering and bellicose pursuit of power and with its peculiarly German doctrinaire methods. It would, however, be quite wrong to conclude that a crisis of the fascist system itself is impending in Germany. Of course, the difficulties of the fascist government mean, also, a certain potential weakening of German fascism. But the potential opponents of German fascism are weakened to a still greater extent. Hence the fascist government is not likely to conclude, as a result of some particularly acute difficulty (of which, incidentally, there is as yet no sign), that it ought to extend democratic rights or to surrender any of its power; on the contrary, it will continue to weaken and decimate its remaining opponents, in the knowledge that if there

is no further substantial opposition there will, even in a crisis, be no danger to its existence.

Neither pessimism nor optimism, but, rather, a sober and historically well-founded understanding of social events, in conjunction with a clear formulation of aims and a fighting spirit, would be allowed to influence the judgment and the will of the socialist forces. Such an attitude will also make it impossible for us to fear our fascist opponent or to under-estimate him. We are perfectly well aware of the fact that the overthrow of fascism in favor of a socialist revolution will be the hard work of many years of sacrifice and struggle, and that during these years of oppression by this reactionary, brutal regime the socialist fighters must be mobilized and trained. This knowledge in no way discourages us, but merely prevents us from cherishing illusions with regard to the position of the socialist labor movements in our country and with regard to the outlook for the fascist system.

THE POSITION AND PROSPECTS OF THE BOURGEOIS PARTIES

The non-fascist bourgeois parties in Germany are already a thing of the past. They have been completely liquidated. The fascist revolution in Germany proceeded with such speed and thoroughness that barely twenty weeks after its actual inception there is not even a trace left of these organizations, once so large and conspicuous. They have fully deserved this fate. They were unable to capitulate quickly or thoroughly enough and to proclaim their fundamental agreement on all points with the national revolution. In face of the widespread fascist onslaught on their existence, they had long lost their power of speech. The more

fearfully they trembled for their lives, the more certainly was their fate sealed. It is possible that many of their adherents will, as individuals, be critical of the fascist system for some time to come, and will thus, in a crisis, be available for organization by the socialist forces as auxiliaries in the anti-fascist struggle. But as *organized* remnants of the old democratic parties they have ceased to exist, and will never again rally their forces. The blow was too hard for them, too bewildering and too unexpected. The developments leading to their destruction were too puzzling for them to be able, on their own initiative, to recover as an organized force. They are definitely done for, and in another six months we shall have begun to forget the bourgeois parties once existed in Germany.

And what of the numerous other bourgeois associations, societies and organizations? In so far as they still exist, they have been "co-ordinated" (*gleichgeschaltet*). In so far as they have not been "co-ordinated," they no longer exist. This result has been achieved by scarcely twenty weeks of fascist revolution in Germany. Although regard for considerations of foreign policy and internal difficulties may, perhaps, temporarily check or even, in the future, cause slight set-backs to the fascist campaign of destruction against non-fascist centers of reorganization, in the near future all *non-fascist bourgeois organizations* will have ceased to exist.

THE POSITION AND PROSPECTS OF THE GERMAN COMMUNIST PARTY

The attitude of the German Communist Party towards the fact of the fascist revolution is one of complete bewilderment and lack of understanding. Since it is in-

capable of looking at the world except through the spectacles of its rigid dogmatic theories, the realities of fascism, which so completely controvert its conceptions, simply do not exist for it. The *Rote Fahne* of June 1933, the illegal publication of which bears witness to a readiness for sacrifice and courage, has discovered no other language, and gives evidence of no greater understanding, than the *Rote Fahne* of the summer of 1932 or the preceding years.

At a time when all the non-fascist bourgeois parties have been dissolved, and thousands of social-democratic officials and workers are languishing, along with communists, in fascist concentration camps and prisons, the Communist Party knows of no other "chief enemy" than Social Democracy; and its "machinery of opposition," the aim of which is the destruction of the old democratic Social Democratic Party, which no longer exists, goes on "working" as though there had been no change since the preceding years. The Communist Party retains much less than 5 per cent of the membership which it had at the beginning of the present year, for its organization is being weakened from day to day by arrests, by the severing of connections, by the formation of opposition groups within it, and by disorganization and desertions. The German working class has, moreover, been robbed of its organizations, and the masses are either voluntarily joining the fascist front or in a state of inaction or impotence watching the fascist advance. And yet, at a time when all this is happening, the Communist Party talks of a revolutionary upsurge in Germany, nay, it even to some extent rejoices in the destruction of "democratic illusions." It continues to practice, in a pitifully and absurdly attenuated form, its policy of opposition within the trades unions, its policy of iso-

lation, and to assert its dogmas, just as though yesterday were bound, tomorrow, to emerge completely unchanged from the grave of the past.

The official Communist Party of Germany is today living in the hope of a collapse of the fascist regime within a few weeks, at the latest within a year, that is, in the hope of a new democratic era. This is the expression of the fact that the Communist Party too, despite its revolutionary phraseology, at bottom regards the carrying-on of propaganda during the time of legality as its only *raison d'etre*, and that, now that this period is over, it has come to the end of its resources. Time is working against the Communist Party. It is true that there are today a few social democratic renegades who are critical of their own party and preserve the illusions of the Communist Party; yet the more the illusions of the "collapse" of the fascist regime disappear with the continuation of this regime, and the more espionage, desertions, denunciations and conspiratorial incompetence lead to fresh and more disastrous "partial catastrophes" for the party as the fascist machinery of state is consolidated, the more will the Communist Party be converted into a politically insignificant sect, hiding in the pores of society and held together more by external influences than by its own insight and activity. It is not the blows of fascism, but its own inner weakness, its bourgeois and democratic illusions, its subjectivism and its lack of self-criticism and of creative Marxist spirit which have dealt the Communst Party its decisive death-blow.

This stupendous contradiction between reality and the communist conceptions of it, and the political consequences of this contradiction, are not without effect on the adherents of the party. Under its influence

there are being formed more or less articulate opposition groups and factions, which are critical with regard to the old official party policy. Even though the criticism of these groups may be correct in certain details, none of them is by itself able to perceive the fundamental mistakes of the Communist Party, its deviation from Marxism, and its counter-revolutionary activity; and none of them can take the great step from Communist Party policy to proletarian class policy. The net result will be that they will, by their organized destructive criticism, merely hasten the disintegration of the Communist Party. They may, however, acquire a certain importance for the German socialists' policy of unification; for, if we can succeed in recruiting them into the ranks of the anti-fascist socialist militant proletariat, the best, the most courageous, critical and devoted members of these groups will constitute the most valuable section of our forces.

THE SMALL SOCIALIST GROUPS

The small socialist groups — the Socialist Labor Party (S.A.P.), the Communist Party Opposition (K.P.O.), the Trotskyists, etc.—have temporarily, owing to the peculiar nature of recent developments, acquired the appearance of a certain strength. They have thus acquired (principally in the eyes of the non-German labor organizations) a significance which they do not deserve. These small groups, owing to the fact that they are unimportant, that both their exponents and their organizations are little known, have so far been by no means so viciously attacked by fascism as the great workers' parties, in particular, the Communist Party, and their losses have, therefore, been relatively smaller. In so far as they are growing, if not absolutely, at least relatively to the old labor parties,

as a result of the decline of the latter, they are gaining self-confidence and a belief in their mission. In addition, they are being reinforced by isolated elements from the old workers' parties, who have been made highly critical by the failure of these parties and who are forming connections with these opposition groups, already known to them. All of these reasons serve to explain a certain degree of consolidation, limited though it may be, in some of these groups.

This situation, however, demonstrates the entirely temporary character of this phenomenon. In spite of many correct points in their criticism these groups have no basic insight into social events. They succumb, rather, in all fundamental questions to the same errors and illusions as the parties from which they have split off. The reservoir of the declining socialist mass organizations from which they draw their increased strength, strictly limited though it may be, may, in the near future, be exhausted, and they will finally become quite as much the object of the fascist policy of suppression as the large socialist organizations of the period of legality. They will then face the terror as helplessly as those parties with regard to the destruction of which they now feel something like satisfaction. Their end will be no different from that of the major parties, except that it will be socially and politically of far less significance for the fate of socialist class politics.

The existence of these groups may, nevertheless, under certain circumstances, constitute a certain handicap for the future anti-fascist struggle of the German socialists. In time of democratic legality the existence of dissident groups may have been of no importance for the organized stability of the great

democratic parties. Under the conditions of fascist illegality, however, with which we have to contend, unrestricted competition among socialist organizations means an increase in the risks for all participants in the struggle; it renders the winning over and organizing of the non-socialist proletariat more difficult; in some cases, indeed, impossible. Those who are pursuing a policy of socialist unification in Germany must eliminate this grave danger.

THE FATE OF GERMAN SOCIAL DEMOCRACY

Of all the parties the Social Democratic Party has suffered the most severe set-back. The free trades unions, the actual basis of the power of our party, our proletarian foundation, have disappeared as organs of the working class. In their place organizations now exist which serve the fascists as spring-boards for the further development of their power. Our press has been destroyed, the co-operatives, the party buildings, the party property expropriated, the immense workers' cultural organizations shattered, the party organizations dissolved, the party banned; countless thousands of its former officials and active members are in the fascist prisons and concentration camps, and many of them have been tortured and murdered; all connections between the districts have been broken off, the leaders have dispersed, and the party has been practically liquidated.

Of far more moment, however, than these losses is the fact that the remnants of the party in Germany which have not yet been reunited and the section of the party which is in exile, the only section about which the masses abroad have first-hand knowledge, are politically and spiritually bankrupt. The dream

of "democratic" socialism, that is, of the path to socialism by way of the "social" Weimar Republic, is over. We are faced today with stark, brutal, fascist reality. Those who saw the form of the development of socialism in capitalist society, not in toleration and submission, but in struggle, have been fully justified.

The crass contradiction between the bourgeois and democratic aims and illusions of the party and the reaction of today led at first to the development of violently opposed trends within the small disorganized remnants of the party which were still in existence. The old party leadership of the period of democracy had split and a section of it had fled. The group that remained in Germany under the leadership of Loebe, Kunstler, etc., following the line of least resistance, carried on with the old official party policy of capitulation. They hoped to wheedle repeated reprieves for the legality of the party from the fascists by means of more and more complete and abject surrender, until this course ended, after scarcely two weeks, in the banning of the party. The majority of the party leaders, after their departure from Germany, dissociated themselves from this ultra-legal stand and criticized the fascist regime in Germany in the foreign press and in their own organs abroad.

Although we can see in this attitude a certain advance on the attitude of a few weeks ago, when the *entire* party leadership advocated a policy of submission to fascism, there can, nevertheless, be no doubt that the comrades abroad, by reason both of their previous experiences and their present fundamental political convictions, are entirely incapable of securing the existence and the revolutionary work of the party in *Germany itself* under the fascist regime, let alone of

organizing the struggle for the overthrow of fascism. Under its old leadership the party would suffer final and complete liquidation in a far shorter period even than the Communist Party, which, after all, has at its command certain conspiratorial experiences and other advantages for the purpose of its work.

The contradiction between political hopes and the actual state of affairs, between former influence and present low estate, between democratic illusions and fascist reality, can nowhere be greater than in the German Social Democratic Party. This will give rise, therefore, to the most profound and fruitful criticism and the greatest efforts to understand and shake off a past that has been outlived, in order to prepare a new future for the movement. It was the younger elements in the party who not only long ago correctly predicted the danger of fascist development, but who also, in good time before its advent, drew the necessary conclusions as to organization. This pamphlet, which will serve as a basis for discussions, owes its existence to these elements. The reception which has been accorded these ideas, wherever they have formed the subject of debate, entitles us to hope that we shall succeed in holding together the younger, energetic elements of the party and making them the basis for the renewed existence of the party, especially if this effort is not hampered, but supported, by the party members in exile and by the Second International.

THE REVIVAL OF THE SOCIALIST CORE

If the revived movement is to have a prolonged existence and militant effectiveness, even under the conditions of the fascist regime, it must be united by unity of theory and unity of will and held together

by the strictest discipline, born of understanding. Its knowledge and understanding must not, particularly in the case of the core of the workers' movement, be learned by rote, but critically acquired. The first step, therefore, for the future of the socialist movement in Germany is the freest and most critical discussion among all those elements who regard the revival of the socialist movement in a militant spirit, based on Marxist theory, as necessary, and wish to serve this movement. These discussions will determine the scope and the organization of the future movement. They will give evidence both of that theoretical ability and those organizing and conspiratorial talents of the comrades which will assure them their fitting places in the revived movement.

This revival will also provide the growing anti-fascist revolutionary socialist party with a leadership equal to the tasks and the dangers of the coming period. It is an absurd illusion to believe that the same people who led the party from August 4, 1914 to May 17, 1933 are capable of developing and carrying out the extraordinarily complicated and difficult policy demanded by the period of illegality and the epoch of fascism. Those leaders who, from 1914 to 1918, approved of the Empire of Wilhelm II, who, from 1918 to 1933, worshipped the bourgeois republic, who either founded or supported the White Guardist movement, who elected Hindenburg and tolerated Bruning, who, under Hitler, placed a veto on preparations for illegal party work, and later even tolerated Hitler—such leaders cannot suddenly be converted into revolutionary fighters against the fascist state, and at one stroke produce from nowhere the virtues, the ex-

perience, the understanding and knowledge which this fight so fully demands.

The future leadership of the party must consist of those comrades who are developing and applying, amidst the serious perils of the fight itself, the forms and methods of the anti-fascist proletarian class movement, and who have expertly and opportunely prepared this work. For it is not the old democratic, but the new illegal conspiratorial work which will, from now on, be necessary and all-important for our movement. The future leadership must not only *represent* the practical experience gained in the struggle, but must also organize it and protect it. It can, therefore, be recruited only from the ranks of those comrades who have remained in Germany, whose activity is in accordance with the ideas expressed in this pamphlet, and who possess the confidence of the active socialists in Germany. It certainly does no harm to spread information abroad about the German fascist terror. This is done even by bourgeois elements, but it is in the interests of the struggle in Germany only in so far as it proceeds from the standpoint of Marxism and takes into account the needs of this socialist revolutionary activity in Germany. The struggle against German fascism will be settled neither in Paris, Prague, Switzerland, nor the Saar. It must be fought out in the German factories, cities and villages.

We do not demand that the party members or the old leaders who have fled or emigrated abroad should return to Germany and incur the serious dangers of the anti-fascist struggle, like the comrades who are working here. If, however, those exiled members of the party which was destroyed by fascism wish in the future to put forward a claim to be considered members

of the revived German socialist movement, they must fulfill its conditions. They must not only subscribe to its programme, but they must also be aware that any false step of theirs, any journalistic or other political activity which is opposed to the interests of the German struggle, may result in the death of many German fighters for freedom and is equivalent to a denunciation. They should constantly bear in mind the fact that the revived socialist movement is serving the anti-fascist struggle in *Germany*, and that their political activity abroad must also be in accordance with those demands and conditions which can only be formulated and developed in the course of the struggle in Germany itself, and that therefore the comrades who are carrying on the fight in Germany and the comrades authorized to act for them and the German party organization are alone empowered to determine the policy and the organization of the party.

As soon as discussion with regard to the policy represented in this pamphlet has brought about sufficient results in Germany itself, the district organizations, reorganized on the basis of this programme, must constitute, through delegates, a party conference, which will then determine the programme and principles of the revived party and will provide a tried leadership with all the requisite plenary powers until the next party conference. Representatives of the refugee organizations will also be able to have seats and votes in the party leadership. We shall propose to this coming conference a basic political programme in accordance with the programme of this pamphlet. The general organizational foundations for the reconstruction of the party under fascism will thus be laid.

THE POLICY OF UNIFICATION OF THE REVIVED PARTY

The most important organizational questions and the forms and methods of our work cannot be described in detail in this pamphlet, which is intended to serve the purposes of discussion among wide circles of the party and in the International. This much, however, must be said: that the protection of the social, political and economic interests of the workers, particularly in the places where their exploitation takes place, must form the basis of all militant work for the class struggle under fascism.

The first great task of the revived party is to bring together all those German organizations which are working for the class struggle and to unite them in one front which shall be willing and able to carry on the fight. The first thing to do in order to avoid annihilation is to eliminate the damaging competition among all the socialist parties and groups, and, in addition, to create an efficient fighting front under the leadership of the most experienced socialists. So long as attempts in this direction were undertaken by the small groups in opposition to the large socialist mass parties, they were bound to fail miserably. But under the pressure of the fascist terror, and once the party is revived and employs propaganda which is based on theoretical insight, clearly-formulated aims and practical experience, the prospects of such a unification are altogether favorable. The ultimate aim of this unification is the mobilization of the workers in one united organization, the programme of which shall be revolutionary Marxism.

As regards the Communist Party, the probability of its participation in this unification is at present very small. It is, not only organizationally and politically,

but also spiritually, so dependent on the Comintern that its incorporation in the German socialist class front, highly desirable and necessary as it is, will be the result of an inevitable and highly desirable settlement of our differences with the Bolsheviks rather than with the German comrades. It is thus primarily a matter of international politics.

THE GERMAN SOCIALISTS' POLICY OF ALLIANCE

Final success in the fight against fascism can only be the result of years of hard struggle. Even the severest crisis of the system would only lead to a change in the exponents of fascism, but not to the downfall of the regime itself, unless an experienced and tried socialist party, with a basis of Marxist theory, were to know how to use the crisis of fascism for its downfall. In order to assure success propitious historical conditions will have to coincide with the right subjective factor. But even then there will be difficulties enough, for the socialist party must make its preparations for the overthrow of the system while under the domination of the fascist regime of terror; a regime that will not be milder in times of difficulty, but will, in order to maintain its power by every possible means, become still more brutal.

If their policy is to take into account the difficult conditions of this fight, the socialists must, from the very beginning, make every effort to ensure the alliance of other anti-fascist groups and classes. There will always be, in all sections of society, bourgeois democratic groups and classes critical of fascism. An intensification of the economic and political contradictions of society will especially foster these tendencies, and will even lead, temporarily, to the formation of various anti-fascist organizations.

The anti-Semitism of German fascism is forcing the Jews and half-Jews, who number something like a million, into defending themselves continually against the system. Severe crises and political mistakes on the part of the fascist leaders will, ultimately, give rise to opposition groups within the fascist party itself.

By directing the policies and the effectiveness of all these groups in accordance with the aims of a united anti-fascist struggle, the socialists will add both to the difficulties of the system and their own sphere of influence, and they will increase their own strength; on condition, that is, that they know how to preserve their own theoretical political attitude in all alliances and compromises, all negotiations and co-operation, and that they pursue their ultimate goal tenaciously and undeviatingly in whatever compromises may become necessary.

THE POLITICAL AIMS OF OUR ANTI-FASCIST WORK

The immediate aim of our work is the overthrow of the fascist system. Our understanding of the social foundations of this new form of state will condition the methods and forms of our work. We know that only a certain favorable historical concatenation of circumstances will permit of the direct struggle for the defeat of the regime, and even then only if the decisive masses are led by a socialist party with clearly formulated objectives. We therefore reject as emphatically as possible all terrorist measures and all those methods, depending on illusions concerning fascism, which demand unnecessary sacrifices without in the least benefiting the struggle against the system.

We also know, however, that even in the severest crisis of the fascist system a successful struggle for its overthrow is only possible if a socialist party exists as

an organization which is capable of struggle, clear as to its aims, experienced and bound closely enough by many threads with the masses. To fulfill these conditions is the aim of our work under fascism.

If there is to be eventual success in overthrowing the fascist reign of terror, it will only be by the co-operation of all anti-fascist forces and those critical of the fascist party leadership; and this co-operation can only be brought about by the effectiveness of the socialist party. The overthrow of the fascist regime will, therefore, only lead at first to a democratic regime. We revolutionary socialists know that the resumption of the socialist struggle for emancipation in the form of a mass movement is impossible without the restoration of democracy. We know, therefore, that our immediate political objective is the overthrow of the fascist state and its replacement by a democratic regime with the fullest possible rights for the masses. To achieve this end, we are ready to cooperate with all groups and organizations which are at all inclined, by reason of a similar attitude, to act logically in this question of bourgeois democratic liberties.

We Marxist socialists do not disguise from ourselves the fact that this immediate partial objective represents neither our social nor our political ultimate objective. What will be the result of the achievement of this immediate political objective? After the downfall of the fascist party dictatorship, all groups and classes of society will hasten to secure the fullest posible rights and advantages for themselves. They will thus, particularly until the new regime has established itself, increase the general political uncertainty. In this situation the socialist party will have only one aim: to secure the rights and privileges of the working class, and to limit the rights of the exploiting classes as far as the militant

strength of the masses behind them permits. The party, then, does not advocate "general," that is, bourgeois, democracy, but *the democracy of the workers.*

In the same way the socialist party will attempt, in the economic sphere, to increase the income, the well-being and the rights of the working masses in every way and by every possible means, without any regard for the economic interests of the possessing classes. It will also endeavor to inspire the cooperation of wide, important sections of the middle classes and thus to increase its influence and its chances of success.

The socialist party must not only be fully aware from the start that such a policy will impede the consolidation of the economic system and of the new bourgeois democratic regime and the stabilization of the new Weimar Republic, but it must consciously endeavor to prevent this consolidation. For, indeed, its ultimate objective is not a new edition of the Weimar Republic, a repetition of the drama of 1918-33. Its aim is not the domination of the bourgeois parties and groups and a greater or lesser share in this domination. Its political aim, after the overthrow of fascism, will be the *sole domination* of the socialist party, since it alone provides a guarantee against the return of fascism, since it alone forms the basis upon which the people can construct socialism, and thus cause every form of class domination and all parties and party dictatorship to wither away.

THE INTERNATIONAL POLICY OF THE GERMAN SOCIALISTS

The international socialist labor movement is not today driving forward against capitalism. On the contrary, it has been forced to take up a defensive posi-

tion by the new social forces of fascist development in world capitalism, the advent of which was not dreamed of in earlier times. In the midst of this period of reaction, in the midst of these political uncertainties and dangers, and in the midst of this political upheaval in the affairs of world capitalism, which is throwing up countless fresh theoretical, political and organizational problems of the greatest importance, the international socialist labor movement must find a new intellectual and political policy, if it is not to be wrecked. This will only be possible if all sections of the International discuss their problems in the keenest and frankest manner. If these discussions are to be successful, all the participating organizations must consider themselves to be, not competitors in the struggle, but equally interested sections of a united whole. This will come about only if they are united in a single International.

We have already stated and explained our position with regard to the Communist International. We must demand its liquidation and the incorporation of its organizations in the Labor and Socialist International, in order that they may merge with the parties of the latter. As things are at present, this step can only be the result of profound, weighty, premeditated and probably long-drawn-out discussions with the Bolsheviks. For this task the Labor and Socialist International should not dispense with acute Marxist criticism of the Comintern and its sections, and also of the policy of the U.S.S.R. This criticism, if it is undertaken from the standpoint of Marxism, of revolutionary socialism, will be by no means without prospects of success. We have already indicated the esential points upon which such criticism must direct its attacks.

The collapse of the German Social Democratic Party,

the strongest party in the Labor and Socialist International, has strengthened those tendencies in this organization which are represented by those who are dissatisfied with the old leadership of the International and who wish, by breaking away, to form a new international center with a left orientation—a new "Zimmerwald." We are vehemently opposed to any attempt to increase the cleavages in the international working class. It would be absurd, even from the standpoint of those who criticize the policy of the secretariat of the Labor and Socialist International. If they really desire to bring about the unity of the international working class on the basis of revolutionary socialism, they should on no account cut themselves off from the reformist organizations and elements. They should, on the contrary, attempt all the more zealously to convince and to convert those who do not yet hold the same views, especially since the latter constitute the vast majority of the world proletariat, whereas they themselves are only an insignificant minority.

We advocate under all circumstances the unity of the Labor and Socialist International. Furthermore, we advocate a policy of unification. We believe that its strength should consist in providing those parties which have lost their direction owing to recent developments with the means of mobilizing their forces anew and of achieving as united a theoretical policy as possible. The International will achieve this by serving as the broadest forum on an international scale for the discussions of the socialist parties of the world.

If, moreover, the leadership of the Labor and Socialist International once again mobilizes the political, organizational, moral and material forces of those parties and trades unions which are still to some extent

working under democratic conditions to help the illegal socialist parties working under fascism and the white terror, and if it attempts to organize, to unite and activate the anti-fascist propaganda, agitation and campaigns in the non-fascist countries, it will have performed what can reasonably be demanded of it in the present situation.

CONCLUSION

One must go back to the founders of the great religions in order to discover an individual whose life's work has inspired such struggles as those inspired by the work of Karl Marx. This brave spirit has now lain for more than half a century in the peaceful cemetery at Highgate. His memory, nevertheless, serves as a far greater inspiration than he himself in his life-time. In Eastern Europe a great people of 150 million is governed in the name of Marxism. In the name of anti-Marxism the forms of government of two other great countries have been fundamentally transformed and tens of thousands have been thrown into jail, tortured and murdered. Hundreds of thousands, millions, of the oppressed in all the countries of the world have combined in the name of Marxism to struggle, amid the misery of the present, for a better future. In the name of anti-Marxism organizations are already being formed in various countries which are burning with the desire to extirpate the battalions of socialism under the dictatorship of their own forces.

The present-day reality of Marxism is explained by the fact that this great scientist and seer was the only man not only to understand, but also to account scientifically for, the dilemma of the capitalist system

and its historical transitoriness, and that he was the only one to draw from this understanding active revolutionary conclusions which found their expression in the struggle for emancipation, inspired by socialist aims, of the proletariat. Today, even those who benefit from the capitalist system admit its historical bankruptcy and its hopelessness. But in the background of the lamentations of the bourgeois Jeremiahs can be heard the menacing "Quo vadis?" of capitalist society—that fateful question which was first raised by Karl Marx.

From their researches, their observations and the knowledge gained thereby, Karl Marx and Friedrich Engels drew a grandiose and stirring picture of coming social developments. The contradictory anatomy of capitalism was bound, as capitalism developed, to intensify its antagonisms. Larger and larger aggregates of capital, under the control of men who thought only in terms of profits, were bound to come into collision with one another and finally to bring about destructive explosions of the liberated productive forces in conflict with capitalist methods of acquisition. The proletariat, its numbers swollen to millions, herded in gigantic cities and factories, was bound to be the first to be involved in these social catastrophes; and these would finally affect the working middle classes also. The entire working population, particularly the proletariat, already schooled and organized in the preceding period by the mechanism of the class struggle, would be radicalized by social forces and set in revolutionary motion. It would finally seize power and expropriate the important means of production in order to utilize them for the welfare of the community rather than for the provision of profits to the few.

These predictions have come true in almost every

respect. If, however, we admit that the founders of socialism have been refuted in one important assumption by historical reality, it will not in the least detract from their merit, but will, on the contrary, only make us fully aware of all their difficulties and the vast achievement of their historical forecast. Marx and Engels were firmly convinced that social development would be bound to lead to socialism, that the proletarian uprising and the socialist revolution would be as historically inevitable as the bourgeois revolution. They assumed that the advancing bankruptcy of capitalism, in conjunction with the agitation of the socialist parties, would inevitably lead to the proletariat's becoming imbued with socialist ideas and establishing the new society. In this assumption they were wrong.

History, however, has upheld them in all their other predictions. World capitalism has actually suffered its terrible bankruptcy; its inter-relationships are dislocated. The results are terrifying for all nations and threaten to lead to the complete destruction of the modern civilized world in barbaric wars and economic catastrophes. The working masses are undergoing terrible suffering, while the lower middle classes and the proletariat are actually being pauperized. These classes are beginning to stir; they are being radicalized. But—and here lies the important difference between reality and the predictions of Marx and Engels—this process of radicalization is not in the direction of socialism.

The fact that the proletariat is a part of bourgeois society and is subject to its intellectual outlook and its ideas—that is to say, the fact that there exists a tendency towards the formation of bourgeois ideologies to which the working class is also completely exposed—

creates an historical situation which differs considerably from the assumption of Marx and Engels, still regarded by most socialists as inviolable dogma.

The working masses are being set in motion and radicalized by the crisis of capitalism. Harassed and pursued by the effects of the social catastrophe, they are beginning to seek and feel for new methods and aims. But since they are held spellbound by bourgeois ideas, they can express their social hopes, wishes and expectations only within the framework of the present form of society. Community of interests, the nation, a fair wage, increased prosperity, their own welfare and individual advancement—these are the limits within which the hopes and the beliefs of the masses can move. They also constitute the ideological and political line of the *fascist revolution.*

The phenomenon of fascist revolution takes on, in this light, an entirely new aspect. It cannot be denied that it has its roots in the catastrophic intensification of the capitalist contradictions of the period of decline, nor that its driving forces are spontaneous social forces born of the epoch of decline. The fascist revolution is, to a certain extent, the proletarian revolution turned upside down by the adoption of bourgeois ideology, i.e., the inverted image of the proletarian revolution; it is society's spontaneous, automatic (unconscious) "way out" of the destructive contradictions of the period of capitalist decline. It is, therefore, by no means a coincidence that the only existing socialist state, the Soviet Union, and the two fascist states, Germany and Italy—*although the social content in the case of the former is the opposite of that of the two latter*—correspond to each other in innumerable external political forms, and that German fascism bears the word "social-

ism" on its shield. The historical will of their respective state parties is opposed, that of the Bolsheviks striving for socialism, that of the national socialists and the fascists seeking to maintain capitalism, and therefore the U.S.S.R., in spite of its mistakes and its shortcomings, is an element of new human co-ordination and social progress; the fascist states, on the other hand, are forces of capitalist decline, driving mankind further along the road to barbarism, along the road leading to chaos.

The spiritual and ideological limitations resulting from the social relationships of capitalism confine the members of bourgeois society within the narrow groove of bourgeois thought, and thereby bar for the working masses the road to the *spontaneous* elaboration of concepts and aims which might lead them beyond the present order of society. They thus also bar the road leading to the spontaneous development towards socialism. Hence the revolutionary driving forces born of capitalist contradictions are transformed into blind, destructive natural forces, which lead towards reaction instead of towards progress, that is, socialism. These forces become the driving forces of fascism, which are themselves the result of historical spontaneity, the automatic historical process of capitalist decline.

The road to socialism, on the other hand, must, in face of these automatic tendencies towards decline, be consciously trodden and prepared by those people who have an understanding of the laws and forces of history. Socialist politics represent the action of revolutionary socialist organizations and the conscious moulding of history by the Marxist, socialist, militant labor party which is clearly aware of its path and its objective.

Are the parties of the Labor and Socialist International capable of carrying out such a policy? No one would maintain that they are. There is even, at the present time, evidence in certain socialist labor parties of efforts to make concessions to fascist tendencies under the illusion that fascist development can thereby be checked. Such tendencies bear witness to the tremendous strength of the influence of bourgeois ideas to which the labor parties also are subject. They show to what extent the socialist parties threaten to become the objects and victims of historical development. They indicate the danger of the complete destruction of the socialist movement.

In this situation the revolutionary socialists in Germany appeal to their comrades in all countries to take heed and turn back. The blows that have struck us are hard and painful. History writes the lessons of the socialist struggle for freedom in blood and tears. If the working classes of the countries which are still democratic know how to read them, they will save their peoples from fascist dictatorships and new wars. We, however, have today the task of holding the banner of Marxist socialism high under the terrorist domination of the German fascist reaction, and of working unceasingly for the overthrow of this barbaric tyranny, in order to clear the way to socialism for the working masses of Germany. We know that every forward step on this path also helps the international socialist proletariat to surmount the difficulties of these times of confusion and to move forward with new strength towards the socialist goal of freedom. Conscious of this, we shall fight on.

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